

<i>SERFF Tracking Number:</i>	<i>AMGN-125804659</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>American General Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>40176</i>
<i>Company Tracking Number:</i>			
<i>TOI:</i>	<i>LTC03I Individual Long Term Care</i>	<i>Sub-TOI:</i>	<i>LTC03I.002 Non Qualified</i>
<i>Product Name:</i>	<i>AIG LTC</i>		
<i>Project Name/Number:</i>	<i>/</i>		

Filing at a Glance

Company: American General Life Insurance Company

Product Name: AIG LTC

SERFF Tr Num: AMGN-125804659 State: ArkansasLH

TOI: LTC03I Individual Long Term Care

SERFF Status: Closed

State Tr Num: 40176

Sub-TOI: LTC03I.002 Non Qualified

Co Tr Num:

State Status: Filed-Closed

Filing Type: Advertisement

Co Status:

Reviewer(s): Stephanie Fowler

Author: Vladimir Nepochatov

Disposition Date: 10/02/2008

Date Submitted: 09/05/2008

Disposition Status: Filed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

General Information

Project Name:

Status of Filing in Domicile:

Project Number:

Date Approved in Domicile:

Requested Filing Mode:

Domicile Status Comments:

Explanation for Combination/Other:

Market Type: Individual

Submission Type: New Submission

Group Market Size:

Overall Rate Impact:

Group Market Type:

Filing Status Changed: 10/02/2008

State Status Changed: 10/02/2008

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

Total of 7 pieces for AIG LTC being filed, including; "PRODUCT AT-A-GLANCE" brochure, "FAQ" brochure, Product Guide, Illustration Sample, Executive Benefits Pamphlet, "Inflation Protection" Pamphlet and "Underwriting Process" Bochure

Company and Contact

Filing Contact Information

Vladimir Nepochatov, Compliance Analyst

vladimir_nepochatov@aigag.com

SERFF Tracking Number: AMGN-125804659 State: Arkansas
Filing Company: American General Life Insurance Company State Tracking Number: 40176
Company Tracking Number:
TOI: LTC03I Individual Long Term Care Sub-TOI: LTC03I.002 Non Qualified
Product Name: AIG LTC
Project Name/Number: /

2727-A Allen Parkway (713) 831-4298 [Phone]
Houston, TX 77019

Filing Company Information

American General Life Insurance Company	CoCode: 60488	State of Domicile: Texas
2727-A Allen Parkway	Group Code: 12	Company Type:
Houston, TX 77019	Group Name: AIG	State ID Number:
(713) 831-3508 ext. [Phone]	FEIN Number: 25-0598210	

SERFF Tracking Number: AMGN-125804659 State: Arkansas
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TOI: LTC03I Individual Long Term Care Sub-TOI: LTC03I.002 Non Qualified
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Filing Fees

Fee Required? Yes
Fee Amount: \$175.00
Retaliatory? No
Fee Explanation: Fee calculated for total of 7 pieces filed
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American General Life Insurance Company	\$175.00	09/05/2008	22310571

SERFF Tracking Number:	AMGN-125804659	State:	Arkansas
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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Stephanie Fowler	10/02/2008	10/02/2008

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<i>Project Name/Number:</i>	<i>/</i>		

Disposition

Disposition Date: 10/02/2008

Implementation Date:

Status: Filed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: AMGN-125804659 State: Arkansas

Filing Company: American General Life Insurance Company State Tracking Number: 40176

Company Tracking Number:

TOI: LTC03I Individual Long Term Care Sub-TOI: LTC03I.002 Non Qualified

Product Name: AIG LTC

Project Name/Number: /

Item Type	Item Name	Item Status	Public Access
Form	"PRODUCT AT-A-GLANCE" brochure	Filed	Yes
Form	Executive Benefits Pamphlet	Filed	Yes
Form	"FAQ" brochure	Filed	Yes
Form	"Inflation Protection" Pamphlet	Filed	Yes
Form	Product Guide	Filed	Yes
Form	"Underwriting Process" Bochure	Filed	Yes
Form	Generic Illustration Sample	Filed	Yes

SERFF Tracking Number: AMGN-125804659 State: Arkansas
Filing Company: American General Life Insurance Company State Tracking Number: 40176
Company Tracking Number:
TOI: LTC031 Individual Long Term Care Sub-TOI: LTC031.002 Non Qualified
Product Name: AIG LTC
Project Name/Number: /

Form Schedule

Lead Form Number: 08000

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
Filed	AGLC103180	Advertising	"PRODUCT AT-A-GLANCE" brochure	Initial			AIG LTC At-A-Glance-AGLC103180.pdf
Filed	AGLC103256	Advertising	Executive Benefits Pamphlet	Initial			AIG LTC Executive Select Carve Out-AGLC103256.pdf
Filed	AGLC103206	Advertising	"FAQ" brochure	Initial			AIG LTC FAQ-AGLC103206.pdf
Filed	AGLC103255	Advertising	"Inflation Protection" Pamphlet	Initial			AIG LTC Inflation Protection-AGLC103255.pdf
Filed	AGLC103028	Advertising	Product Guide	Initial			AIG LTC Product Guide-AGLC103028.pdf
Filed	AGLC102941	Advertising	"Underwriting Process" Bochure	Initial			AIG LTC Underwriting Process-AGLC102941.pdf
Filed	2007.7.1RE V. 042007	Advertising	Generic Illustration Sample	Initial			Long Term Care Generic Illustration

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Sample.pdf

Policy issued by:

American General Life Insurance Company

A subsidiary of American International Group, Inc. (AIG)

2727-A Allen Parkway, Houston, Texas 77019

AIG Long Term Care Insurance Policy Form Number 08000

Automatic Inflation Protection – Compound for Life Rider Form Number 08002

Automatic Inflation Protection – Compound for Life Funded With Age Graded Premiums Rider Form Number 08003

Automatic Inflation Protection – Compound for Life With Age Graded Premiums to Age 65 Rider Form Number 08004

Joint Survivor Benefit Rider Form Number 08005

Joint Waiver of Premium Rider Form Number 08006

Nonforfeiture Benefit – Shortened Benefit Period Rider Form Number 08007

Paid-Up Premium Rider Form Number 08008

Restoration of Benefits Rider Form Number 08009

Return of Premium at Death Benefit Rider Form Number 08010

Shared Care Benefit Rider Form Number 08011

Waiver of Elimination Period for Home and Community Care Benefit Rider Form Number 08012

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AGL does not solicit business in the state of New York. Policies and riders not available in all states.

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AIG American General companies offer a broad spectrum of fixed and variable life insurance, annuities and accident and health products to serve the financial and estate planning needs of its customers throughout the United States.

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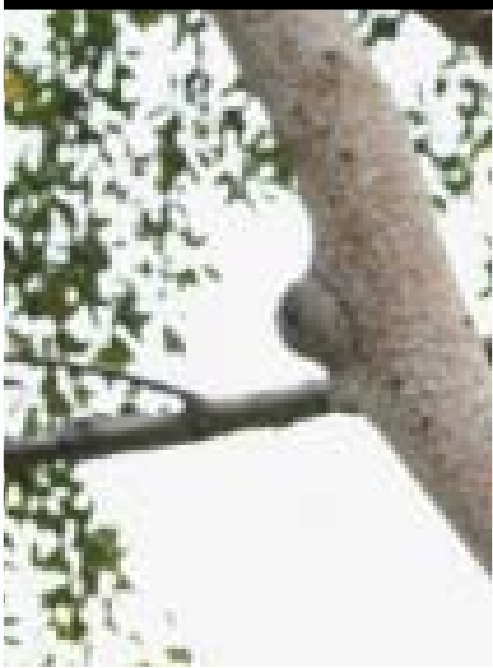
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CHART TOPPERS

AIG Long Term Care Insurance

AIG LTC. It's not your classic long term care insurance. It's helps you maintain your independence, protect your assets and manage your care with the flexibility you need. To find out more, let's start the conversation.



PRODUCT
AT-A-GLANCE

Policies issued by:
American General Life Insurance Company
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THE STRENGTH TO BE THERE.®





Choose your benefits

With AIG LTC, you can craft the policy you want.

Lifetime Maximum

Choose your coverage based on a lifetime maximum:

- \$100,000
- \$250,000
- \$400,000
- \$500,000
- \$600,000
- \$750,000
- \$1 million

Monthly Maximum

Select your monthly benefit amount from \$2,000 to \$12,000 in \$1,000 increments.

Elimination Period

Once you become eligible to receive benefits, you must wait a certain period of time before you begin to receive your benefits. This is called your Elimination Period.

- Your elimination period is counted by calendar days.
- You have a choice of 30, 90, 180 or 365 days.
- Your elimination period must be satisfied only once in your lifetime.
- You have the option to waive the elimination period for Home Health and Community Care.
- There is no elimination period for the Stay At Home Support Benefit.

Payment Options

We offer you various options, which all make it easier to pay for the coverage that best meets your needs.

- Automatic recurring credit card payments are available with:
 - American Express®
 - MasterCard®
 - Visa®
- You also have the option to pay via Direct Bill (pay by check) or Automatic Bank Draft.
- Payments can be made annually, semi-annually, quarterly or monthly.

Eligible Policy Issue Ages

We issue policies to qualifying applicants from age 21 to age 84.

Standard fare

The following “built-in” benefits enable you to stay home or, if you prefer, receive care at a facility. They include:

Home and Community Care Benefit

We cover expenses incurred (up to your chosen monthly and lifetime maximum) from a home health care agency, a licensed independent provider and an adult daycare center.

- You have the option to waive your elimination period.

Stay At Home Support Benefit

Ten percent of your chosen lifetime maximum benefit amount can be used for:

- **Caregiver Training:** Training for an informal caregiver, such as a family member or friend, to provide care in your home.
- **Home Modifications:** Certain labor, equipment or supplies for modifications to your home to help you live at home safely.
- **Durable Medical Equipment:** Certain medical equipment you would need to enhance your ability to live independently.
- **Respite Care:** Temporary relief for the primary caregiver, who could be a family member or friend, so he or she can take a break.
- **Hospice Care:** The care you would need if you were terminally ill.

Facility Care Benefit

Your monthly benefits (up to your chosen monthly and lifetime maximum) are payable for expenses you incur during your stay at a nursing home or an assisted living facility.

Flexible Care Benefit (Cash Benefit)

You can choose to receive monthly cash benefits (up to 40% of your monthly maximum until your lifetime maximum is reached) instead of receiving the Home and Community Care Benefit.

- Use your cash benefit as you see fit.
- If you decide that you would rather receive reimbursement payments but want the option to go back to the cash benefit at a later time, you can. You’re not locked in, so you’re free to change, as your needs change.

Care Coordination

We offer you the expertise of a care coordinator to help you develop a plan of care and locate and coordinate services.

Waiver of Premium

Premiums are waived while you are receiving benefits.

International Benefit

You can receive a cash benefit for up to two years while you’re outside the U.S., its territories, possessions and Canada.

Future Care Benefit

There is no way to predict what types of long term care services will be available in the future. Our Future Care Benefit provides flexibility for us to add coverage benefits for providers, services or treatments that aren’t currently covered in the policy but may be available in the future.

Important Note: All benefits payable are subject to the terms and conditions of the policy, including benefit durations, limitations and exclusions. Not all benefits and exclusions apply in every state. Please consult the policy form and outline of coverage for details.

More of what you want

You may purchase additional coverage riders¹ that help you further customize your policy, including:

Inflation Protection Rider

We help your benefits keep up with inflation with multiple options that accommodate your stage of life and financial situation, including:

- 3% or 5% Compound for Life
- 3% or 5% Compound for Life Funded with Graded Premium Increases
- 3% or 5% Compound for Life Funded with Graded Premium Increases to 65

For more detailed information, please visit www.aigltc.com or see our “Inflation Protection” brochure.

Waiver of Home and Community Care Elimination Period

If you meet the eligibility requirements for the Payment of Benefits and incur covered expenses for Home and Community Care, we waive your elimination period for the Home and Community Care Benefit.

Shared Care Benefit Rider

You and your spouse have access to an extra pool of benefits equal to each of your policies in case either of you exhaust your benefits. Both spouses must have identical coverage amounts.

Joint Waiver of Premium Rider

While one spouse is receiving benefits, neither spouse pays his or her premiums.

Joint Survivor Benefit Rider

Premiums are waived for the policy and any riders for the surviving spouse.

Paid-Up Premium Rider

This rider allows you to discontinue paying premiums after the first anniversary of the Policy Effective Date following your 65th birthday or the tenth anniversary of your Policy Effective Date.

Return of Premium at Death Benefit Rider

We will pay the total amount of premiums paid for the policy and any applicable riders, from the Policy Effective Date up to the date of your death.

Restoration of Benefits Rider

Your benefits are restored to your original amount if after you file a claim, you recover and need no care for a minimum of 180 days or more.

Nonforfeiture Benefit Rider

If you stop paying your premium after the third* year, your past premiums will still be available to pay for services.

*First year if Paid-Up Premium Rider is elected.

¹ There will be a charge for each rider selected. See the rider for details regarding the benefit descriptions, limitations and exclusions. Rider availability and specifications may vary by state.



Bonus track

Marital/Partner Discounts

- 15% discount for having a spouse/partner. Also applies if both apply for a policy, but only one spouse/partner qualifies.
- 30% discount if both spouses/partners apply and are issued a policy.

Preferred Health Discount

10%

For your protection

Free-Look Period

You have 30 days to return your policy and receive your money back if you're not satisfied.

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AIG Long Term Care Insurance Policy Form Number 08000

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Take your benefits
to the next level

Policies issued by:
American General Life Insurance Company
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Protect your executives and your business

By adding long term care insurance to your benefits package, you have a more competitive tool to attract and retain the best people, and to help your business grow and prosper.

With AIG LTCSM (Long Term Care Insurance) Executive Select, you can protect your executives by enabling them to manage their long term care needs and protect their retirement savings. And this brings peace of mind to your executives when preparing for their future long term care needs. We can help your executives meet their personal obligations without compromising your corporate objectives. And that benefits everyone.

LTC: What, where, how

- Long term care is needed when a chronic illness, unforeseen accident or disability leaves you unable to care for yourself over an extended period of time.
- Long term care can take place in your home, an assisted-living facility, an adult daycare center or a nursing home.
- Long term care encompasses services such as home health aides, housekeeping services, adult day care center services and respite care.

Free to choose

How does AIG LTC Executive Select benefit your executives? It helps them protect their assets, maintain their lifestyle and live to the highest level of independence possible should they need long term care.

What's it all about?

Freedom.

Starting with the freedom to understand long term care insurance because we've simplified how it works.

With the freedom to live as close to normal as possible by covering home health care expenses. We can make it easier for executives and their spouses to get the care they need, where they want it—at home, if they prefer.

And then there's the freedom to use a monthly cash benefit on whatever long term care services are required.

All of which empowers executives to live the way they choose, even if long term care becomes a part of their life.



A competitive edge

Offering long term care insurance to key employees supports productivity not only by attracting and retaining motivated executives but by eliminating downtime and business interruption costs. It boosts employee satisfaction and longevity by creating a strong sense of security within the organization.

In addition, providing long term care insurance helps your company stand out from the competition, enabling you to bring top prospects on board. Established workers value this benefit when weighing career options. Knowing the company truly cares about the long term well-being of its employees establishes worker loyalty in return.

LTC Executive Select tax benefits

Here’s a summary of rules for deductibility of premiums for tax qualified long term care insurance, such as AIG LTC Executive Select. Note that it varies by the tax status of the business. We recommend you consult your legal or tax adviser regarding tax issues.

AIG LTC Executive Select delivers:

- a key component of a highly competitive benefits package
- a tool to attract and retain the best people
- coverage you can offer to owners, employees, spouses and dependents
- favorable tax advantages
- typically 100% deduction if the AIG LTC Executive Select premiums are paid by the business for employees, their spouses and dependents
- a way to circumvent costly downtime or loss of productivity



IRS Age-Based Eligible Long Term Care Insurance Premium³

Age of Insured Before the Close of the Year	2007 LTCI Eligible Premium Deduction
Ages 40 and under	\$290
Ages 41 to 50	\$550
Ages 51 to 60	\$1,110
Ages 61 to 70	\$2,950
Ages over 70	\$3,680

At-a-glance

Long term care insurance can help:

- preserve your executive’s lifestyle
- protect assets
- maintain independence
- sustain quality of life
- ensure quality of care

The number one issue facing employers today is the shrinking pool of skilled and talented workers. The quality of your benefits package is one way to ensure the best people come to you and stay with you.

¹ Refer to IRS Age-Based Eligible Long Term Care Insurance Premium table.
² May be taxable if daily received is in excess of Qualified Long Term Care insurance expenses incurred and/or Internal Revenue Code maximum. The 2007 “Tax-Free” receipt of “per diem” benefits is limited to \$260 per day, \$94,900 annually; indexed annually for inflation; OR the amount of qualified long term care expenses incurred by the insured, whichever is higher.

³ IRS Age-Based Eligible Long Term Care Insurance Premium changes each year to reflect changes in inflation.

Understanding the Gap

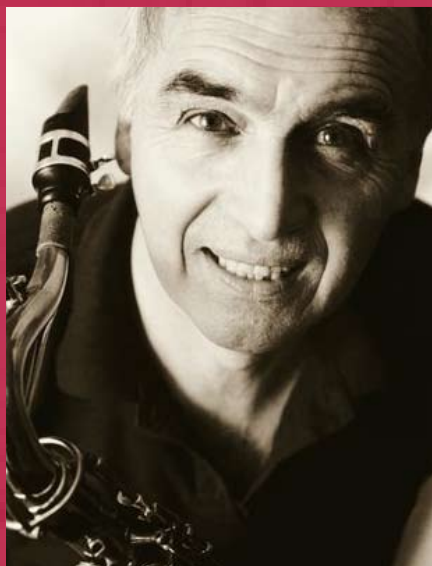


Recovery is no accident

Julie is in a car crash and breaks her leg in four places and breaks her shoulder. She is unable to walk and her mobility is compromised. After having surgery, Julie is sent home to recover. She is unable to cook, bathe and take care of herself due to her accident. Her family lives across the country and is unable to help and her closest friends, who would like to help, work full time. During her recovery, Julie has a home health aide come in to help her with everyday activities. Julie's health insurance through her employer paid for her time in the hospital (minus her deductible and co-pays), but does not cover her care after surgery. If Julie had not had long term care insurance, she would have had to pay for the home care she received while recovering. Paying on her own would have cost \$13,920* for her four month recovery. And while she was receiving long term care benefits for home care, she did not have to pay her long term care insurance premiums.

*Based on the national average hourly cost of \$29/hour assuming care for four hours per day for 120 days.

Not an actual case; presented for illustrative purposes only.



Surviving a stroke

Paul is 67 years old and suffers a stroke leaving him in the hospital for a couple of weeks. He is unable to make a full recovery and returns home, requiring daily care by a home health aide to help him with daily activities such as bathing, dressing, preparing meals and taking his medications. While Paul has made progress with his recovery and is now able to speak clearly, his progress has plateaued and will not improve. Yet, he still needs assistance with cooking, bathing and dressing. Although Paul did not qualify for Medicaid, Medicare covered a portion of his hospital stay and some of the costs for home health care during his recovery. His long term care insurance took over the costs for ongoing home care after his progress ceased. If Paul had not had long term care insurance, he would have to pay for his ongoing home health care costs on his own.

Not an actual case; presented for illustrative purposes only.

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AIG Long Term Care Insurance Policy Form Number 08000

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FREQUENTLY
ASKED
QUESTIONS



Policies issued by:
American General Life Insurance Company
A subsidiary of American International Group, Inc. (AIG)

THE STRENGTH TO BE THERE.®





At AIG American General, we want you to know what long term care insurance is all about. We want you to feel comfortable. And that comes from understanding how long term care insurance can help you live to the highest level of independence possible. Let's start the conversation. Here are some of the most frequently asked questions about long term care insurance.



Q: What is long term care?

A: It's the care you would need if you were unable to carry out some of the basic activities of daily living, such as bathing, dressing and eating as a result of a physical or cognitive impairment. Unlike medical care, the goal of long term care is not to provide a cure but to allow an individual to live to the highest level of independence.

Q: Where are long term care services provided?

A: Long term care services can be provided in your home or in a facility, including an adult daycare center, an assisted living facility or a nursing home. They can include visiting nurses, home health care and respite care.

Q: Are you likely to need long term care?

A: Seventy percent of people 65 and over will need long term care services.¹ However, a person of any age can require long term care. In fact, 40 percent of people receiving long term care services are between the ages of 18 and 64.² In addition, 75 percent of those applying for long term care insurance are under the age of 65.³

Q: What is long term care insurance?

A: Long term care insurance helps cover the costs of long term care services. Generally, long term care isn't covered by health insurance which may cover the cost of treatment for illnesses but not the cost of services considered custodial or that support the activities of daily living.

Medicare will only cover up to 100 days of treatment in a skilled nursing facility after a hospital stay of at least three days. Most long term care is not skilled care and does not follow a hospital stay.¹ Medicare only covers 20 percent of long term care costs nationally.⁴

Medicaid is not an option for many people as it's based on a financial assessment. Even if you qualify, your choices of where and how to receive care can be greatly restricted. In addition, Medicaid may not cover home health care or assisted living.

Q: Why do you need long term care insurance?

A: Long term care insurance enables you to obtain the quality of care you want, where you want it and prevents you and your family from experiencing financial strain during a potentially difficult time. It helps maintain your independence and your quality of life. In short, long term care insurance gives you more choices.

If you prefer family or friends to care for you, long term care insurance can help you receive care at home while minimizing the burden on your caretakers, physically, emotionally and financially.

If you don't want to rely on family and friends for your care, long term care insurance helps you get the care you want, where you want it, such as at home or at an assisted living facility.

Q: What types of conditions require long term care?

A: Long term care is needed when you are unable to perform two or more of the activities of daily living such as bathing or dressing. This can be caused by a number of conditions including stroke, physical frailty, spinal cord injuries, long term effects of diabetes, autoimmune disorders, circulatory disease(s) and heart conditions. A cognitive impairment caused by conditions such as Alzheimer's disease, dementia, or senility can also trigger the need for long term care.

¹ Kemper, Kominar, and Alecxih, "Long Term Care Over an Uncertain Future: What Can Currrent Retirees Expect?" Inquiry: 42:335-350 (Winter 2005/2006)

² American's Health Insurance Plans, AHIP Guide to Long Term Care Insurance; www.ahip.org

³ 2007 Broker World Long Term Care Insurance Survey

Q: What do long term care insurance policies cover?

A: Most long term care insurance policies can help you stay at home by covering home care services. They can also cover assisted living, adult daycare and other care in the community, alternate care and respite care to enhance your ability to live independently. In addition, long term care policies cover skilled, intermediate and custodial care in a nursing home.

Q: What does long term care cost?

A: The amount you spend depends on the level of service you need and the length of time you need care. However, long term care can be expensive and many people cannot afford to privately pay for it for very long. With long term care insurance, you can leverage your financial resources to receive the quality of care you need, where you want it.

To give you some perspective, the national average cost for a home health aide is \$25,636. The annual cost for assisted living is \$36,090 and \$ 76,285 annually for care at a nursing home⁴

For information about the cost of care in your area, visit www.aigltc.com.

Q: Is long term care insurance expensive?

A: The cost of long term care insurance varies widely, depending on the options you choose. The actual premium you will pay depends on many factors, such as your age, health and the level of benefits you choose.

Q: What should you look for in a company that offers long term care insurance?

A: You should look for a company that clearly makes customer service a priority, backed by superior financial strength. You'll also want to look for its experience and reputation as a leader in the insurance industry.

Talk to your agent today for more information about AIG LTCSM (Long Term Care Insurance) or visit www.aigltc.com.



⁴ U.S. Department of Health and Human Services; National Clearinghouse for Long Term Care Information, 2008; www.longtermcare.gov;
Annual home care cost calculation based on hourly rate of \$29/hr for 17 hours of care per week for 52 weeks per National Claimant Study
Annual assisted living cost calculation based on national average monthly rate of \$3,008 for 12 months
Annual nursing home cost calculation based on national average daily rate of \$209 for 365 days

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Automatic Inflation Protection – Compound for Life Funded With Age Graded Premiums Rider Form Number 08003
Automatic Inflation Protection – Compound for Life With Age Graded Premiums to Age 65 Rider Form Number 08004

Important Note: All benefits payable are subject to the terms and conditions of the policy, including benefit durations, limitations and exclusions. Not all benefits and exclusions apply in every state. Please consult the policy form and outline of coverage for details.

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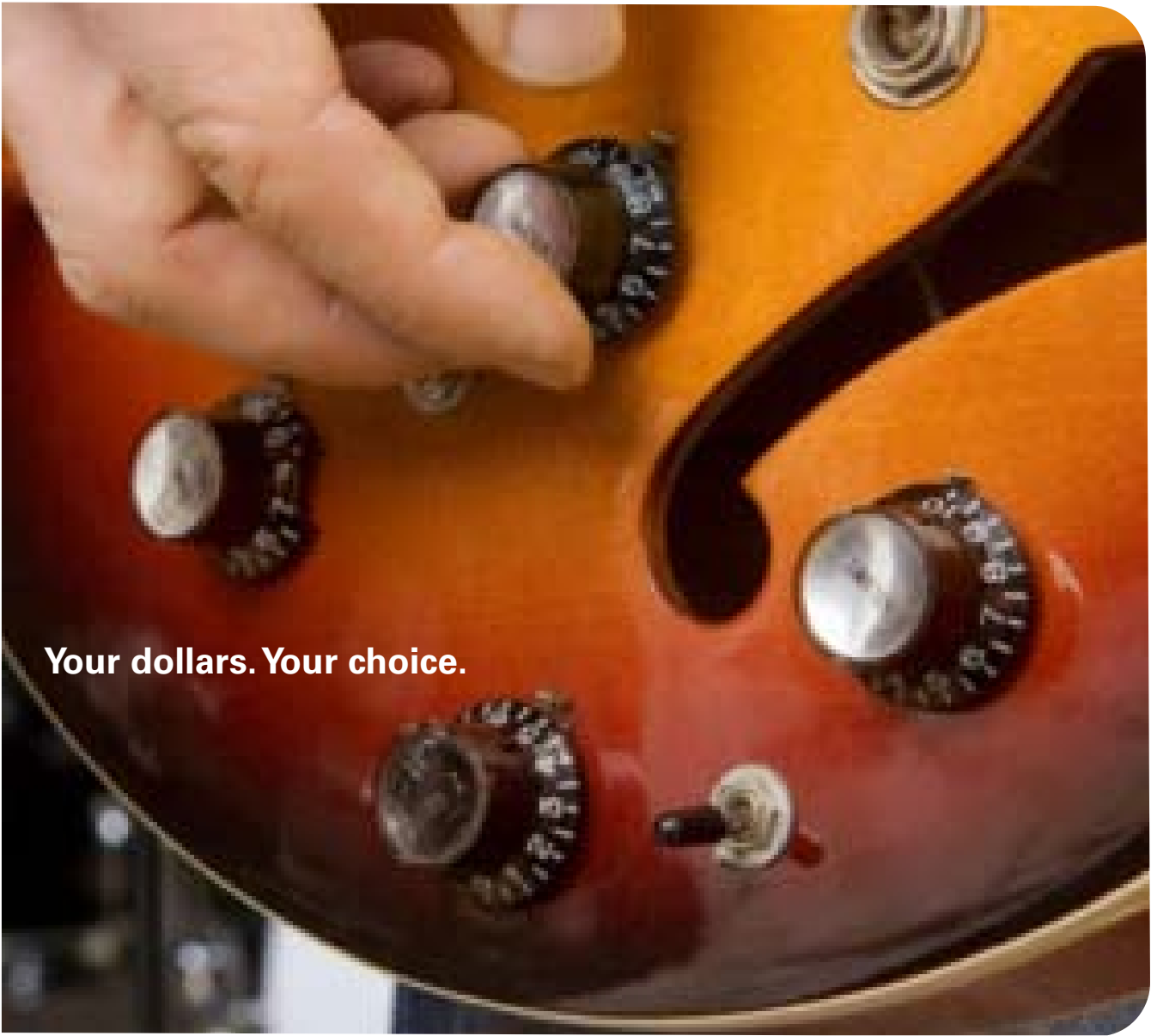
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AIG American General companies offer a broad spectrum of fixed and variable life insurance, annuities and accident and health products to serve the financial and estate planning needs of its customers throughout the United States.

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INFLATION
PROTECTION



Your dollars. Your choice.

Policies issued by:
American General Life Insurance Company
A subsidiary of American International Group, Inc. (AIG)

Protect your independence

You've worked all your life for what you have. Your assets, your lifestyle, your quality of life. And to protect it all, you want long term care insurance with benefits that help keep up with rising long term care costs. So you can live to the highest level of independence possible.

We offer two levels of inflation protection for your benefits. You can choose for your benefits to increase annually at a compounded rate of 3 percent or 5 percent, both for the life of your policy.

But your long term care insurance must be affordable and flexible to begin with. This is especially relevant if you want to obtain coverage at an earlier age, yet have other financial commitments, such as paying for your children's college, saving for retirement or purchasing a second home.

With **AIG LTCSM** (Long Term Care Insurance), our inflation protection feature provides you with unique, flexible premium structure options. You can choose the option that best suits your stage of life and financial situation.

What is inflation?

While "inflation" is something everybody talks about, we want you to be clear about what it is. Inflation is an increase in the price you pay or a decline in the purchasing power of money. Essentially, it's when prices get higher or it takes more to buy the same item.

A volume of choices

- A **Standard Option** that keeps your premium consistent over time.* This option is ideal for people who anticipate that their income will remain level over time as well as those who prefer to know that the amount of their monthly premium is consistent.
- A **Graded Premium to Age 65** that allows you to start with a lower entry premium. Your premium and benefits increase annually by 3 or 5 percent compound depending on the inflation protection level you choose and then levels off once you reach the age of 65. However your benefits continue to increase over the life of your policy. This option is appropriate for those who anticipate having increased income or decreased financial obligations over time and want level premiums after retirement.
- A **Graded Premium for Life** that allows you to start with the lowest premium that increases annually along with your benefits over the life of the policy by 3 or 5 percent compound depending on the inflation protection level you choose. This option is right for those who are on a tight budget but expect to have a greater household income or decreased expenses later in life.

The graded inflation protection premium structure options allow you to purchase a long term care insurance policy that best fits your financial situation. It allows you to start your coverage with lower premiums that increase over time. This way, our insurance is more affordable in your earlier years.

What does it all amount to? Regardless of the premium structure option you choose, inflation protection ensures your benefits will continue to increase annually for the life of your policy.

AIG LTC, can help cover the cost of care as well as help maintain your lifestyle. And you can spend your well-deserved retirement doing what you want to do—without worrying if you'll have enough money to cover long term care costs down the road. It's what happens when you secure your benefits today to protect your lifestyle tomorrow.

*Policy is guaranteed renewable. Premiums are subject to change.

How inflation protection protects

Today: 5% compound inflation protection option

\$500,000 lifetime maximum
\$5,000 monthly maximum

You purchase AIG LTC and choose a 5 percent compound inflation protection option. You elect a \$500,000 lifetime maximum, with a \$5,000 monthly maximum.

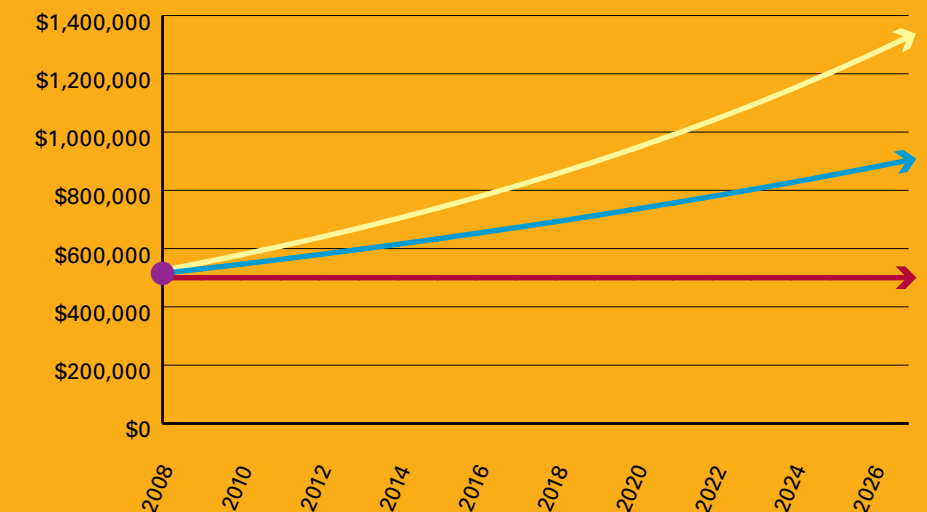
Tomorrow: 5% compound inflation protection option

\$1,000,000 lifetime maximum
\$10,000 monthly maximum

Fourteen years from now, your policy will have an inflated lifetime maximum of approximately \$1,000,000;* and an inflated monthly maximum of approximately \$10,000. In this way, you've protected your benefits from the rising cost of long term care services.

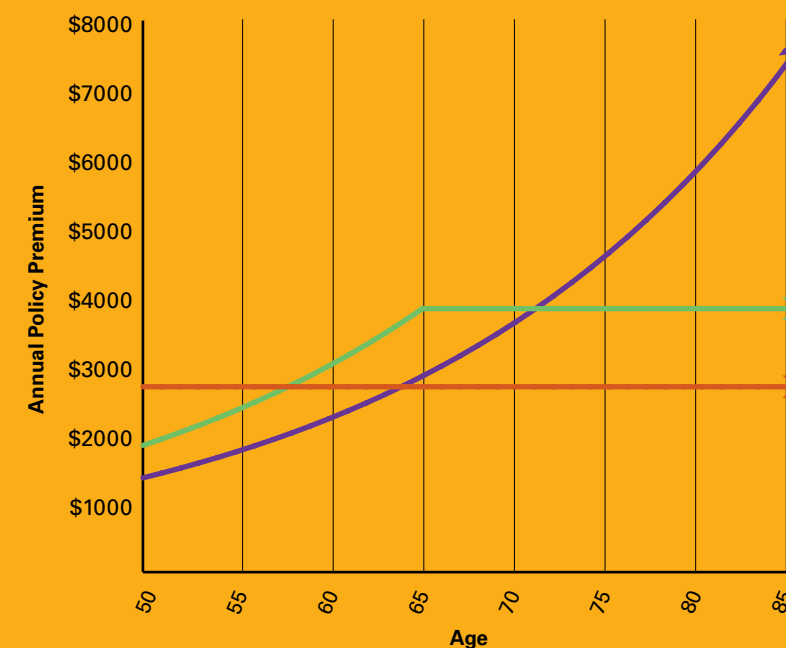
**This assumes the policy has not lapsed. Actual benefits available will be less any claims paid. Also, annual inflation protection increases will terminate if coverage is continued in effect under: the Extension of Benefits provision; the Nonforfeiture Benefit - Shortened Benefit Period Rider, if any; or the Contingent Nonforfeiture Benefit.

The effect of inflation protection on your benefits



- Inflation Protection - 5% Riders
- Inflation Protection - 3% Riders
- No Inflation Protection

Inflation protection premium structure options comparison



Assuming a Lifetime Max of \$500,000, Monthly Max of \$5,000, a 30-day elimination period and preferred underwriting.

- 5% Standard Premium Structure
- 5% Graded Premium to Age 65 Premium Structure
- 5% Graded Premium for Life Premium Structure

It's not your classic long
term care insurance

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AIG Long Term Care Insurance Policy Form Number 08000
Automatic Inflation Protection – Compound for Life Rider Form Number 08002
Automatic Inflation Protection – Compound for Life Funded With Age Graded Premiums Rider Form Number 08003
Automatic Inflation Protection – Compound for Life With Age Graded Premiums to Age 65 Rider Form Number 08004
Joint Survivor Benefit Rider Form Number 08005
Joint Waiver of Premium Rider Form Number 08006
Nonforfeiture Benefit – Shortened Benefit Period Rider Form Number 08007
Paid-Up Premium Rider Form Number 08008
Restoration of Benefits Rider Form Number 08009
Return of Premium at Death Benefit Rider Form Number 08010
Shared Care Benefit Rider Form Number 08011
Waiver of Elimination Period for Home and Community Care Benefit Rider Form Number 08012

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PRODUCT GUIDE



It's not your classic long term care insurance

Policies issued by:
American General Life Insurance Company
A subsidiary of American International Group, Inc. (AIG)



You can't
help listening

AIG LTCSM (Long Term Care Insurance)

It's about keeping your independence.

It's about having options.

It's about freedom.

Starting with the freedom to understand long term care insurance, so you can actually talk about it. And get the most out of it.

The freedom to help you stay at home should you face a chronic illness or disability.

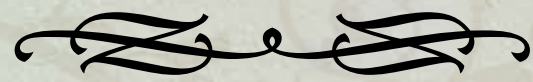
The freedom to use a monthly cash benefit option on the services that matter to you.

The freedom of more payment options, like using your American Express[®] card.

Backed by a company that has devoted 75 years in the insurance industry to serving each customer as if he or she were our only customer.

Want to hear more? Good. Let's start the conversation.

Policies are underwritten by American General Life Insurance Company. AIG does not underwrite any insurance policy referenced in this brochure.



Sound Check

Long term care insurance helps:

- maintain your lifestyle
- protect your assets
- keep your independence
- maintain your quality of life
- alleviate the potential burden, physically or financially, on family and friends
- ensure you get the quality of care you want, where you want it



A fresh vibe

We've made buying long term care insurance like buying anything else—for example, a cup of coffee. You pick the size coffee you want. You know just how much you're getting for what you spend. With our long term care insurance, you pick the amount of coverage based on a lifetime maximum:

- \$100,000
- \$250,000
- \$400,000
- \$500,000
- \$600,000
- \$750,000
- \$1 million

By basing the coverage on a dollar figure rather than a period of time (i.e., 2 years, 3 years, 5 years), you know the exact dollar amount available to you.

And just like paying for a cup of coffee, you can use your American Express®, MasterCard® or Visa® to pay for AIG LTC. All of which makes it easier to choose the coverage that best meets your needs.

A clear note about benefits

Your long term care costs can vary from day-to-day. This is why we offer a monthly benefit amount, rather than a daily benefit to give you maximum flexibility in managing your care.

Your monthly benefit is the amount of money you have to cover your long term care needs on a monthly basis. With our policy, if you choose, for example, a \$5,000 per month allowance and spend \$130 on one day, and \$200 on another day, that's okay. With a policy that sets daily benefit limits, if you chose a \$130 daily maximum and incur a long term care expense of \$200 on a given day, you would be responsible for \$70 out-of-pocket. So with us, you can use your monthly benefit in a way that works for you. And keep in mind that while you're receiving your monthly benefits, you're not required to pay your premium.

Right at home

You want to stay at home. You want to keep your life as close to normal as possible. You want to live to the highest level of independence. Yet, you don't want to depend on your family or friends to help maintain your lifestyle. Or, for that matter, finance your care.

With AIG LTC, we help you stay at home when daily activities become too difficult to handle on your own. From bathing to dressing to eating, we cover the services you need whether you choose a home health care agency, a licensed independent provider or an adult day care center.

To live as independently as you can, we cover expenses for:

- Caregiver Training: Training for an informal caregiver, such as a family member or friend, to provide care for you in your home.
- Home Modifications: Certain labor, equipment or supplies for modifications to your home to help you live at home safely.
- Durable Medical Equipment: Certain prescribed medical equipment to help enhance your ability to live independently.
- Respite Care: Temporary relief for the primary caregiver, the person who cares for you at home on a regular basis, so he or she can take a break. The primary caregiver can be a family member or friend.
- Hospice Care: The care you would need if you were terminally ill, whether you stay at home, in a hospice care facility, assisted living facility or in a nursing home.



No Static

What exactly is long term care?

It's the kind of help you would need should a chronic illness, unforeseen accident or disability leave you unable to care for yourself over an extended period of time. It can take place in your home, an assisted-living facility, an adult day care center or a nursing home. Long term care includes help with daily activities such as eating, bathing or dressing. It encompasses services available in the community, such as visiting nurses, home health aides, home-delivered meals, housekeeping services and adult day care centers. It also covers respite care which provides support to the primary caregiver, who could be a family member, by enabling him or her to take a break.





Sue's Story

Sue lost her husband unexpectedly a few years ago; her son and daughter live with her. Six months ago Sue had a stroke, leaving her physically and mentally impaired. She is unable to complete everyday activities such as bathing and dressing without assistance. Her daughter, Janet, has reduced her hours at work so that she can help care for her mom. However, Sue's AIG LTC policy lets her receive a monthly check that she uses to help make up for Janet's lost wages. She also uses this benefit to pay for a home health aide who comes every other day. All of which makes it easier on everyone to manage Sue's disability. At the same time, Sue can live in her own home, with her family, and still get the care she needs.



Not an actual case study; presented for illustrative purposes only.

A different kind of countdown

Most long term care insurance policies require that you wait a certain amount of time—the elimination period—before your benefits begin, but the way this period of time is counted could really matter.

For example, let's say you choose a policy from another long term care insurance provider that requires you to receive 30 days of long term care service before you can receive benefits.

Currently, you receive care three times a week. This means you may have to pay out-of-pocket for about ten weeks before you meet your 30-day elimination period.

If you had chosen AIG LTC, you would have begun receiving benefits after just four weeks (30 days) because our policy counts every day from the day you are diagnosed with a chronic illness and become eligible to receive benefits toward your elimination period. You do not have to receive service or incur costs for the "countdown" to begin.

You also have the option to purchase an additional coverage rider that removes the elimination period for some of the benefits that let you stay at home, so you can begin receiving your benefits right away.

Your benefits and your needs in concert

What's good for *you*? We believe you're the one who knows best. Our long term care policy has a built-in feature that can provide cash on a monthly basis to cover services you may need, including care by a family member. And you don't have to keep track of your expenses, so you don't have to save a single receipt.

We know that dealing with long term care issues can be difficult for a family. By giving you greater flexibility in covering your expenses, you gain control and ease the burden on everyone.

You can choose to receive cash benefits instead of the reimbursement benefits. However, if you decide that you'd rather receive reimbursement benefits at a later time, you can. You're not locked in, so you're free to change, as your needs change.

Jared and Lisa’s Story

Jared has been unable to dress and bathe without assistance for the last three years and has required daily home health care. He has exhausted his \$400,000 of AIG LTC benefits. However, because Jared and his wife, Lisa, purchased the Shared Care Benefit option, they have an additional \$400,000 of benefits that either of them can use. Therefore, Jared can now access the \$400,000 Shared Care Benefit without having to use any of Lisa’s \$400,000 of benefits. Lisa can also access any benefits left by Jared in the Shared Care Benefit. Even better, because they purchased another additional coverage option neither Jared nor Lisa have had to pay premiums since the day Jared began receiving benefits from his policy.



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In two-part harmony

We offer couples a way to reap the benefit of the life they’ve built together. Couples can receive a 30% discount if each spouse/partner is issued a policy and a 15% discount just for having a spouse/partner. In addition, you and your spouse can purchase additional coverage that provides an extra pool of money equal to each of your policies (coverage must be identical) in case either of you exhausts your benefits.

Most plans allow you to tap into your spouse’s policy, but you’ll decrease the amount of benefits he or she has left. With AIG LTC, you won’t have to face the dilemma of taking money out of your spouse’s policy if you’ve exhausted your lifetime maximum.

You can also have the option to stop paying premiums while your spouse is receiving benefits. And you can opt to not have to pay your premium if your spouse passes away.

There is an additional cost for these options.

Encore

If you need long term care for a limited time and then enjoy a full and healthy recovery, we’ll restore your benefits to the original amount.* How does this option work? Marcus, age 47, has a \$500,000 policy. He is in a car accident requiring him to undergo intensive rehabilitation following his hospital care. Along with his rehabilitation care, he needs help with everyday activities like bathing and dressing, which he receives from a home health aide. After six months of care and having received \$30,000 in long term care benefits for his help with personal care needs at home, he has fully recovered his independence and has returned to his job. If Marcus continues to remain healthy and fully recovered for at least 180 days, his benefits are then restored to the original policy amount of \$500,000 even though he had used \$30,000 of them.

*Provided you don’t need help with activities of daily living or have any cognitive deficits for 180 days or more.

Not an actual case study; presented for illustrative purposes only.

Sure thing

If for any reason you find your policy does not meet your needs, you have 30 days to return the policy and get your money back. This is called the “free look” period and helps ensure you’re completely satisfied with your policy.

It’s your composition

AIG LTC offers you the option to have your benefit total increase over time to help keep up with inflation. With multiple options to protect your benefits against the rising cost of long term care, you can choose what’s best for you based on your stage of life and financial situation.

Rock steady

We could tell you about American General Life’s 75 years of experience as one of the premier life and health insurance companies in the U.S. We could tell you about the more than 400,000 families and businesses we call our customers. We could go on about our superior financial strength and stability. But what we really want to tell you is that we are committed to satisfying you. Because all the experience and expertise in the world really doesn’t matter. Unless we matter to you.

Like any good relationship, we want to keep the conversation going. Talk to your agent today about how to get the most out of your AIG LTC policy. Or visit www.aigltc.com. Thanks. And rock on.

Dave and Annie’s Story

Dave and his wife Annie each purchased an AIG LTC policy ten years ago. At that time, they had two children in college and had an aggressive retirement savings plan, so they had a limited budget to work with. They felt it was important to have inflation protection for their policies, with premiums that started lower but increased each year along with their benefits. Dave and his wife each purchased a \$250,000 lifetime maximum benefit with a 5% graded inflation protection option, thereby increasing their premiums and benefits every year by 5%. In fact, today their lifetime maximum benefit equals \$407,223.66. This option made the policy more affordable in their early years when they had other financial priorities, while protecting their benefits from inflation.

Not an actual case study; presented for illustrative purposes only.



We help your benefits keep up with inflation with multiple options that accommodate your stage of life and financial situation, including:

- 3% or 5% Compound for Life
- 3% or 5% Compound for Life Funded with Graded Premium Increases
- 3% or 5% Compound for Life Funded with Graded Premium Increases to 65

Look what’s on the chart.

Here’s a summary of the key highlights and details of AIG LTC.

	Home Health & Community Care Benefit	Facility Care Benefit	Flexible Care Benefit (cash option)	Stay at Home Support Benefit
Lifetime Maximum Benefit Choice of: \$100,000; \$250,000; \$400,000; \$500,000; \$600,000; \$750,000; \$1 million	Covered up to a monthly and lifetime maximum.	Covered up to a monthly and lifetime maximum.	40% of your monthly benefit up to your lifetime maximum paid monthly in lieu of the Home Health & Community Care and Facility Care Benefit. You can receive Flexible Care and Stay at Home Benefit simultaneously.	10% of your lifetime maximum benefit for: <ul style="list-style-type: none">• Caregiver Training• Home Modifications• Durable Medical Equipment• Respite Care• Hospice Care Can be paid with other benefits.
Monthly Maximum Benefit \$2,000 - \$12,000 in \$1,000 increments				
Elimination Period Calendar days Need only satisfy once	30, 90,180 or 365 days			Stay at Home Support Benefit not subject to an elimination period.
	_____ or _____ waive elimination period by purchasing rider			

Important Note: All benefits payable are subject to the terms and conditions of the policy, including benefit durations, limitations and exclusions. Not all benefits and exclusions apply in every state. Please consult the policy form and outline of coverage for details.

Exclusions/Exceptions and Limitations

We will not pay benefits for any room and board, care, treatment, services, equipment, or other items for:

- Care or services provided by your Immediate Family unless he or she is a regular employee of an organization which is providing the treatment, service or care and the organization receives the payment for such treatment, service or care;
- Care or services provided by your Immediate Family member unless you are compensating him or her through proceeds from your Flexible Care Benefit;
- Care or services for which no charge is normally made in the absence of insurance;
- Care or services provided outside the United States of America, its territories and possessions and Canada, except as described in the International Benefit;
- Care or services that result from an attempt at suicide (while sane or insane) or an intentionally self-inflicted injury;
- Treatment provided in a government facility (unless otherwise required by law); or services for which benefits are available under Medicare or other governmental program (except Medicaid); or
- Services received while the policy is not in force.



Policy issued by:
American General Life Insurance Company
A subsidiary of American International Group, Inc. (AIG)
2727-A Allen Parkway, Houston, Texas 77019

AIG Long Term Care Insurance Policy Form Number 08000

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AIG LTCSM
Long Term Care Insurance



Policies issued by:
American General Life Insurance Company
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For non-English Speaking and Hearing Impaired Applicants

In an effort to accommodate non-English speaking applicants and applicants for whom English is a second language and may have difficulty conversing fluently in English, American General Life will request medical records from your primary care physician before determining whether a Telephonic Health Interview or a Face-to-Face Assessment is necessary. In many cases, the medical records will fulfill the underwriting requirements. If we do require an interview in person or over the phone, we offer an interpreter service. Please notify your agent and we will see that the appropriate arrangements are made. Please note that the use of an interpreter will lengthen the amount of time it takes to complete these requirements, so please be sure to plan accordingly.

Hearing impaired applicants will not be required to complete a Telephone Interview. For applicant's who would normally only require a Telephone Interview, we will request medical records from your primary care physician. **Please refer to the Medical Records section in the chart.**

For applicants who required a Telephone Interview and an MCAS, we will require a face-to-face assessment with the MCAS be completed. **Please refer to the sections labeled Face-to-Face Assessment and MCAS in the chart.**

Talking by Phone

Our health interview is a telephone conversation between you and a registered nurse from Nation's Care Link, completed on behalf of American General Life. The conversation will take approximately 20 minutes of your time. You will be asked standard medical questions focused on your medical history, medications being taken, any symptoms you might have (such as chest pain, shortness of breath, dizziness, etc.), lifestyle review (such as living arrangements, employment, volunteer activities, exercise regimen, etc.), your ability to perform activities of daily living (such as dressing, toileting, bathing, etc.) and the use of any assistive devices. Of course, if you are contacted for an interview at an inconvenient time, please feel free to reschedule with the nurse.

In certain circumstances, the Telephonic Health Interview may include the Minnesota Cognitive Acuity Screen known as the MCAS. Please refer to the section titled MCAS (Minnesota Cognitive Acuity Screen) for information regarding this requirement. **To make the best use of your time, please have the following information by the phone:**

- Current medication bottles
- Names, addresses and phone numbers of your doctors
- A listing of your last blood pressure readings from your physician
- Dates of any surgeries or hospitalizations
- If you have a hearing aid, please be sure to wear it

Talking in Person

A health assessment is performed in your home by a registered nurse from Nation's Care Link on behalf of American General Life. You will be contacted by a local nurse to schedule the assessment in your home. The assessment takes approximately one hour, so please allow enough time to comfortably complete the assessment. The nurse will ask a series of questions regarding your medical history, your physicians and their contact information, medications, any symptoms you may have (such as chest pain, shortness of breath, dizziness, etc.), lifestyle review (such as living arrangements, employment, volunteer activities, exercise regimen, etc.), your ability to perform activities of daily living (such as dressing, toileting, bathing, etc.) and the use of any assistive devices. Additionally, you will be asked to complete the MCAS. Please refer to the section titled MCAS (Minnesota Cognitive Acuity Screen) for information regarding this requirement.

The nurse will also take your blood pressure and measure your height and weight. You may have another person present in your home during the face-to-face assessment; however, he or she will be asked to wait in an adjacent room during the cognitive acuity screen. You will be required to provide some form of picture identification such as a driver's license, passport or other government-issued identification. **To save time and be prepared for this assessment, please have the following information handy:**

- Current medication bottles
- Names, addresses and phone numbers of your doctors
- A listing of your last blood pressure readings from your physician
- Dates of any surgeries or hospitalizations
- If you have a hearing aid, please be sure to wear it

About Cognitive Screening

The Minnesota Cognitive Acuity Screen (MCAS) is a memory exercise that asks a series of questions in a variety of areas of cognition, including: judgment, short-term memory, reasoning, orientation and comprehension. The MCAS will be administered telephonically or in person depending on your specific underwriting requirement criteria. While there are no specific requirements needed to prepare for the MCAS, there are some things you can do to better your performance such as:

- Schedule at a time when you are most comfortable
- If something arises that makes the time inconvenient, feel free to reschedule
- If you have a hearing aid, please be sure to wear it
- Complete the interview in a room free of distractions
- If you do not understand the instructions, be sure to clarify
- Relax and answer each question to the best of your ability

Your Medical Records

American General Life may also request medical records from your primary care physician and/or any specialty physicians to review your medical history. Medical records are ordered only if you have had a physical exam within the past 24 months. If you have not had a complete physical exam within the past 24 months, you will be required to complete a physical exam and routine blood work with your Primary Care Physician, at your expense before completing the application. American General Life will then request the medical records from your physician when the application is received.

Typically, this process can be completed without needing anything further from you. However, on occasion, your physician(s) may require a specific specialized authorization to be signed by you to complete the process. If that's necessary, we will contact you to facilitate this process. Requests for medical records from your physician(s) may take up to six weeks to complete. If you wish, you can expedite this process by calling your physician(s), advising them that you have applied for insurance with American General Life and ask that they process our request for information as soon as possible.

Underwriting Process for Individual Applicants

	Application	Telephonic Health Interview	Face-to-Face Assessment	Medical Records ¹	MCAS Cognitive Acuity Screen
Individual Applicants					
Age 59 and Younger	Yes–Full	Yes		For Cause ²	For Cause ²
Age 60-69	Yes–Full	Yes		For Cause ²	Yes–Telephonically
Age 70 and over	Yes–Full		Yes	Yes	Yes–Face-to-Face
Hearing Impaired					
Age 59 and Younger	Yes–Full			Yes	For Cause ²
Age 60 - 69	Yes–Full		Yes	For Cause ²	Yes–Face-to-Face
Age 70 and over	Yes–Full		Yes	Yes	Yes–Face-to-Face
Non-English Speaking ³					
Age 59 and Younger	Yes–Full			Yes	For Cause ²
Age 60 - 69	Yes–Full			Yes	Yes–Telephonically ³
Age 70 and over	Yes–Full		Yes ⁴	Yes	Yes–Face-to-Face ⁴

¹Medical records may be required for non-English speaking applicants in an effort to simplify the process and for individual applicants under age 69 for cause.
²While this requirement is not automatically needed, it may be ordered by an underwriter based on information received from other sources.
³A Cognitive screen will be ordered on non-English speaking applicants ages 60-69 after review of medical records. This will be completed telephonically with an interpreter.
⁴The Face-to-Face Interview with Cognitive Screen will be ordered on non-English speaking applicants age 70 and older after review of medical records. This will be completed with an interpreter.

Long Term Care (Form #08000)

Generic Illustration Sample



Let's Start the Conversation



AIG LTCSM
Long Term Care Insurance

A Proposal For:

Client's Name

Presented By:

Agent's Name

Address

City

State Zip

Phone

Email

Presentation Created:

Date

Time

For Presentation In:

State

Policies issued by:
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AIG American
General

THE STRENGTH TO BE THERE.®

It's about keeping your independence.

It's about having options, not being told what you can and cannot do.

It's about freedom.

Backed by a company that has devoted 75 years in the insurance industry to servicing each customer as if he or she were our only customer.

Want to hear more? Good. Let's start the conversation.

Why do you need long term care insurance? Here are the Facts.

- 70% of people 65 and over will need long term care services.¹
- 40% of people receiving long term care services are between the ages of 18 and 64.²
- The monthly national average cost for a home health aide is \$1,972.³
- The monthly national average cost for care in an assisted living community is \$3,008.¹
- The monthly national average cost for care in a nursing home is \$6,357.³

So you can quickly see that long term care is a risk that makes just as much sense to insure against as the risk of a car accident or disaster to your home.

Long term care insurance isn't just for you. It is also for your family. It provides your loved ones with the confidence that comes with knowing you will have access to the quality of care you want while helping to relieve emotional and financial burdens.

What you may not know about Medicare and Medicaid.

Many people think they can depend on Medicare and/or Medicaid to pay for their long term care. In fact, Medicare will only cover 100 days in a skilled nursing facility after a hospital stay of at least three days. Medicare only covers 20 percent of long term care costs nationally.¹ To qualify for Medicaid, you must "spend down" your assets. Even if you do qualify, your choices of where and how to receive care can be greatly restricted. In addition, Medicaid may not cover home health care or assisted living.

A few AIG LTC features you'll want to talk about.

- Ability to receive monthly cash benefits as a built-in feature of the policy.
- Experience more flexible and generous Stay At Home Benefits for caregiver training, home modifications, durable medical equipment, respite care and hospice care.
- Pay for your premiums using your American Express® card. Other payment methods include MasterCard®, Visa®, automatic bank draft, and direct bill.
- Innovative premium structure options for inflation protection designed to address your specific life and financial situation.

¹ Kemper, Kominar, and Alechih, "Long Term Care Over an Uncertain Future: What Can Current Retirees Expect?" Inquiry: 42:335-350 (Winter 2005/2006)

² American's Health Insurance Plans, AHIP Guide to Long Term Care Insurance; www.ahip.org

³ U.S. Department of Health and Human Services; National Clearinghouse for Long Term Care Information, 2008; www.longtermcare.gov;

Monthly home care calculation based on 17 hours of care per week for 4 weeks per National Claimant Study

Monthly nursing home calculation based on national average daily rate of \$209 for 365 days divided by 12 months



Long Term Care Insurance Policy Proposal

Premium Quote:

Proposed Insured	[John Doe]	[Jane Doe]
Age	[55]	[54]
Class	[Standard]	[Preferred]
State	[Texas]	[Texas]
Payment Mode	[Annual]	[Annual]
Monthly Maximum Benefit	[\$6,000]	[\$7,000]
Lifetime Maximum Benefit	[\$500,000]	[\$750,000]
Elimination Period (Calendar Days)	[90 days]	[90 days]
Total Annual Base Premium:	[\$1,860.00]	[\$2,184.00]

Optional Riders

Automatic Inflation Protection Rider Option 5% Compounded; Graded	[\$753.71]	[\$0.00]
Restoration of Benefits	[\$94.86]	[\$110.29]
Waiver of Elimination Period for Home and Community Care Benefit	[\$219.13]	[\$254.77]
Nonforfeiture Benefit	[\$378.11]	[\$435.77]
Joint Waiver of Premium	[\$37.20]	[\$21.84]
Joint Survivor Benefit	[\$309.57]	[\$334.22]
Total Annual Rider Premium:	[\$1,792.58]	[\$1,156.89]

Discounts

Joint Applying/Approved Discount (30%)	[\$1,095.77]	[\$1,002.27]
Preferred Health Status (10%)	[\$0.00]	[\$334.10]
Total Discount:	[\$1,095.77]	[\$1,336.37]
Total Annual Premium (with Discounts):	[\$2,556.81]	[\$2,004.52]

	[John Doe]		[Jane Doe]	
<u>Initial Premium Options:</u>	Total Annualized Premium	Total Modal Premium	Total Annualized Premium	Total Modal Premium
Annual	[\$2,556.81]	[\$2,556.81]	[\$2,004.52]	[\$2,004.52]
Semi-Annual	[\$2,659.06]	[\$1,329.53]	[\$2,084.72]	[\$1,042.36]
Quarterly	[\$2,710.24]	[\$677.56]	[\$2,124.84]	[\$531.51]
Monthly	[\$2,761.32]	[\$230.11]	[\$2,165.04]	[\$180.42]

This Proposal is not a Policy. You must qualify for a Policy by submitting an application and paying the required premium. Actual costs and benefits may change when the Policy is issued depending on whether there is a change in the insured's age, underwriting class, health status or other variables selected when preparing this Proposal. The premium amount is set at issue and is not guaranteed. The premium may change from year to year. Changes to the premium, if any, are subject to the approval of the appropriate regulatory authority of the state in which the Policy is issued. Actual premiums may be higher or lower.

There may be a charge for each rider selected. See the Rider Definitions in this Proposal and the Rider Forms for details regarding the benefit descriptions, limitations and exclusions.

Premium Comparison by Benefit Options

Proposed Insured: John Doe

State: Arizona

The table below shows total annual premium amounts by Monthly Benefit Amount, Elimination Period, and Total Benefit Amount. The premium highlighted reflects the annualized premium based on inputs selected.

Monthly Benefit Amount	Elimination Period (Days)	Total Benefit Amount						
		\$100,000	\$250,000	\$400,000	\$500,000	\$600,000	\$750,000	\$1,000,000
\$4,000	30	\$1,208	\$1,731	\$1,944	\$2,011	\$2,059	N/A	N/A
	90	\$1,100	\$1,576	\$1,771	\$1,831	\$1,875	N/A	N/A
	180	\$1,058	\$1,516	\$1,702	\$1,760	\$1,803	N/A	N/A
	365	\$952	\$1,363	\$1,531	\$1,584	\$1,622	N/A	N/A
\$5,000	30	N/A	\$1,989	\$2,310	\$2,430	\$2,491	\$2,574	N/A
	90	N/A	\$1,811	\$2,103	\$2,213	\$2,268	\$2,344	N/A
	180	N/A	\$1,741	\$2,022	\$2,128	\$2,181	\$2,253	N/A
	365	N/A	\$1,566	\$1,819	\$1,914	\$1,962	\$2,027	N/A
\$6,000	30	N/A	\$2,236	\$2,679	\$2,808	\$2,917	\$3,016	\$3,134
	90	N/A	\$2,036	\$2,440	\$2,557	\$2,656	\$2,746	\$2,854
	180	N/A	\$1,958	\$2,346	\$2,458	\$2,553	\$2,641	\$2,744
	365	N/A	\$1,761	\$2,110	\$2,211	\$2,297	\$2,375	\$2,468
\$7,000	30	N/A	\$2,468	\$2,923	\$3,168	\$3,297	\$3,434	\$3,582
	90	N/A	\$2,248	\$2,662	\$2,885	\$3,002	\$3,127	\$3,262
	180	N/A	\$2,161	\$2,559	\$2,774	\$2,886	\$3,007	\$3,136
	365	N/A	\$1,944	\$2,302	\$2,495	\$2,596	\$2,705	\$2,821
\$8,000	30	N/A	\$2,645	\$3,182	\$3,462	\$3,670	\$3,828	\$4,022
	90	N/A	\$2,409	\$2,898	\$3,153	\$3,342	\$3,486	\$3,662
	180	N/A	\$2,316	\$2,786	\$3,031	\$3,213	\$3,352	\$3,521
	365	N/A	\$2,083	\$2,506	\$2,727	\$2,890	\$3,015	\$3,167

Premium Comparison by Benefit Options

Proposed Insured: Jane Doe

State: Arizona

The table below shows total annual premium amounts by Monthly Benefit Amount, Elimination Period, and Total Benefit Amount. The premium highlighted reflects the annual premium based on inputs selected.

Monthly Benefit Amount	Elimination Period (Days)	Total Benefit Amount						
		\$100,000	\$250,000	\$400,000	\$500,000	\$600,000	\$750,000	\$1,000,000
\$5,000	30	N/A	\$1,272	\$1,487	\$1,557	\$1,603	\$1,653	N/A
	90	N/A	\$1,158	\$1,354	\$1,418	\$1,459	\$1,505	N/A
	180	N/A	\$1,114	\$1,302	\$1,363	\$1,403	\$1,447	N/A
	365	N/A	\$1,002	\$1,171	\$1,226	\$1,262	\$1,302	N/A
\$6,000	30	N/A	\$1,425	\$1,722	\$1,802	\$1,869	\$1,935	\$2,014
	90	N/A	\$1,297	\$1,568	\$1,641	\$1,702	\$1,762	\$1,834
	180	N/A	\$1,247	\$1,507	\$1,578	\$1,636	\$1,694	\$1,763
	365	N/A	\$1,122	\$1,356	\$1,419	\$1,472	\$1,524	\$1,586
\$7,000	30	N/A	\$1,567	\$1,873	\$2,037	\$2,117	\$2,201	\$2,300
	90	N/A	\$1,427	\$1,706	\$1,855	\$1,927	\$2,005	\$2,094
	180	N/A	\$1,372	\$1,640	\$1,783	\$1,853	\$1,927	\$2,014
	365	N/A	\$1,234	\$1,475	\$1,604	\$1,667	\$1,734	\$1,811
\$8,000	30	N/A	\$1,691	\$2,035	\$2,222	\$2,361	\$2,459	\$2,580
	90	N/A	\$1,540	\$1,853	\$2,024	\$2,150	\$2,239	\$2,350
	180	N/A	\$1,480	\$1,782	\$1,946	\$2,067	\$2,153	\$2,259
	365	N/A	\$1,332	\$1,603	\$1,750	\$1,859	\$1,937	\$2,032
\$9,000	30	N/A	\$1,815	\$2,202	\$2,381	\$2,583	\$2,703	\$2,848
	90	N/A	\$1,653	\$2,005	\$2,168	\$2,352	\$2,462	\$2,594
	180	N/A	\$1,589	\$1,928	\$2,085	\$2,261	\$2,367	\$2,494
	365	N/A	\$1,430	\$1,734	\$1,875	\$2,034	\$2,129	\$2,243

Inflation Protection Option Premium Analysis

Proposed Insured: John Doe

State: Arizona

The table below shows how selecting the Automatic Inflation Protection Option increases your Monthly Benefit Amount, as well as your Total Lifetime Maximum Benefit Amount by the inflation rate selected. The table also shows a side by side comparison of the annual premium amounts for all rider options of the same inflation rate. The column highlighted in yellow is the option selected.

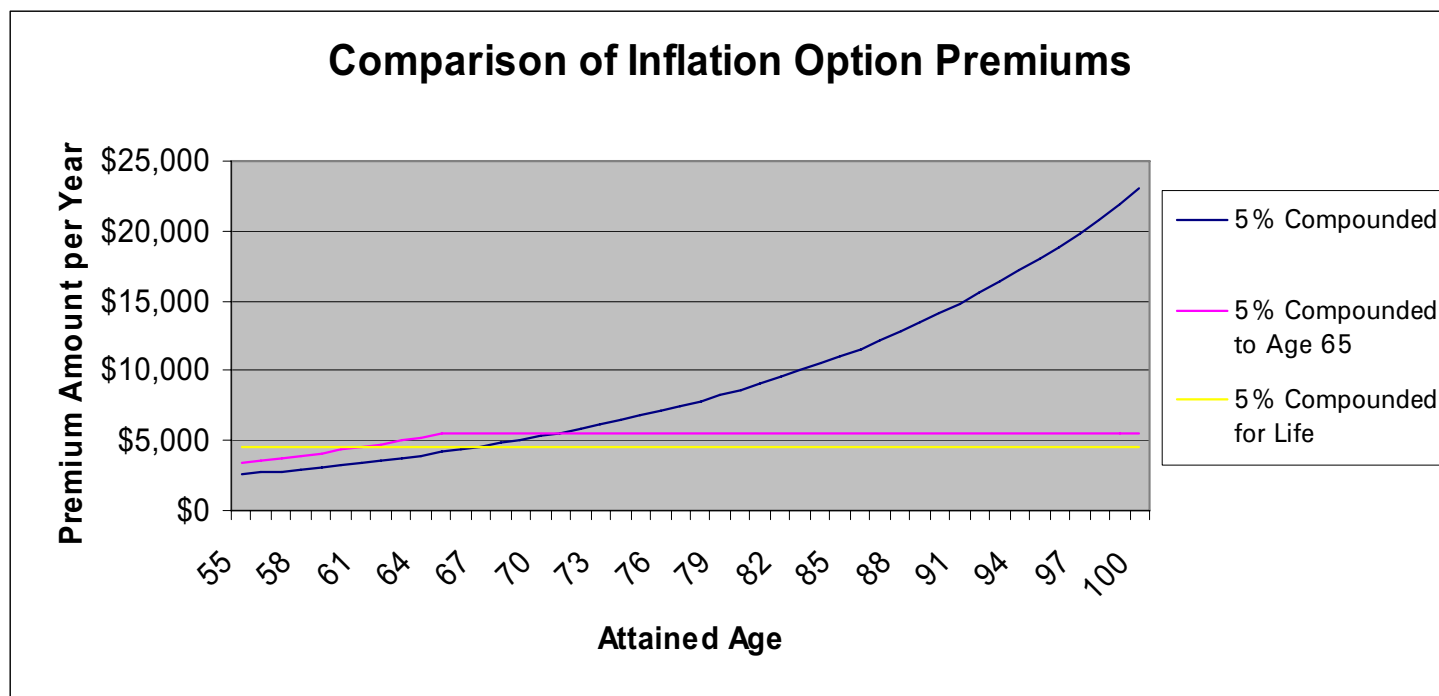
Age	Monthly Benefit Amount	Total Lifetime Benefit Amount	Total Annual Premium Amounts		
			5% Compounded; Graded Premium	5% Compounded; Graded to Age 65	5% Compounded Level Premium
55	\$6,000.00	\$500,000.00	\$2,556.81	\$3,388.78	\$4,545.43
58	\$6,788.13	\$578,812.50	\$2,959.83	\$3,922.94	\$4,545.43
61	\$7,700.48	\$670,047.82	\$3,426.37	\$4,541.29	\$4,545.43
64	\$8,758.64	\$775,664.11	\$3,966.45	\$5,257.11	\$4,545.43
67	\$9,979.28	\$897,928.16	\$4,591.66	\$5,519.97	\$4,545.43
70	\$10,394.64	\$1,039,464.09	\$5,315.42	\$5,519.97	\$4,545.43
73	\$12,033.10	\$1,203,309.62	\$6,153.27	\$5,519.97	\$4,545.43
76	\$13,929.81	\$1,392,981.00	\$7,123.18	\$5,519.97	\$4,545.43
79	\$16,125.50	\$1,612,550.00	\$8,245.97	\$5,519.97	\$4,545.43
82	\$18,667.28	\$1,866,728.00	\$9,545.74	\$5,519.97	\$4,545.43
85	\$21,609.71	\$2,160,971.00	\$11,050.39	\$5,519.97	\$4,545.43
88	\$25,015.94	\$2,591,594.00	\$12,792.20	\$5,519.97	\$4,545.43
91	\$28,959.08	\$2,895,908.00	\$14,808.57	\$5,519.97	\$4,545.43
94	\$33,523.76	\$3,352,376.00	\$17,142.77	\$5,519.97	\$4,545.43
97	\$38,807.94	\$3,880,794.00	\$19,844.90	\$5,519.97	\$4,545.43
100	\$44,925.04	\$4,492,504.00	\$22,972.96	\$5,519.97	\$4,545.43
Total Annual Premiums Paid (Ages 55-100)			\$431,295.91	\$241,342.47	\$209,089.78

Inflation Protection Option Premium Analysis

Proposed Insured: John Doe

State: Arizona

The graph below is a pictorial representation of the annual premium amounts for the different rider options with the same inflation rate.



Cost of Waiting Analysis

Proposed Insured: John Doe

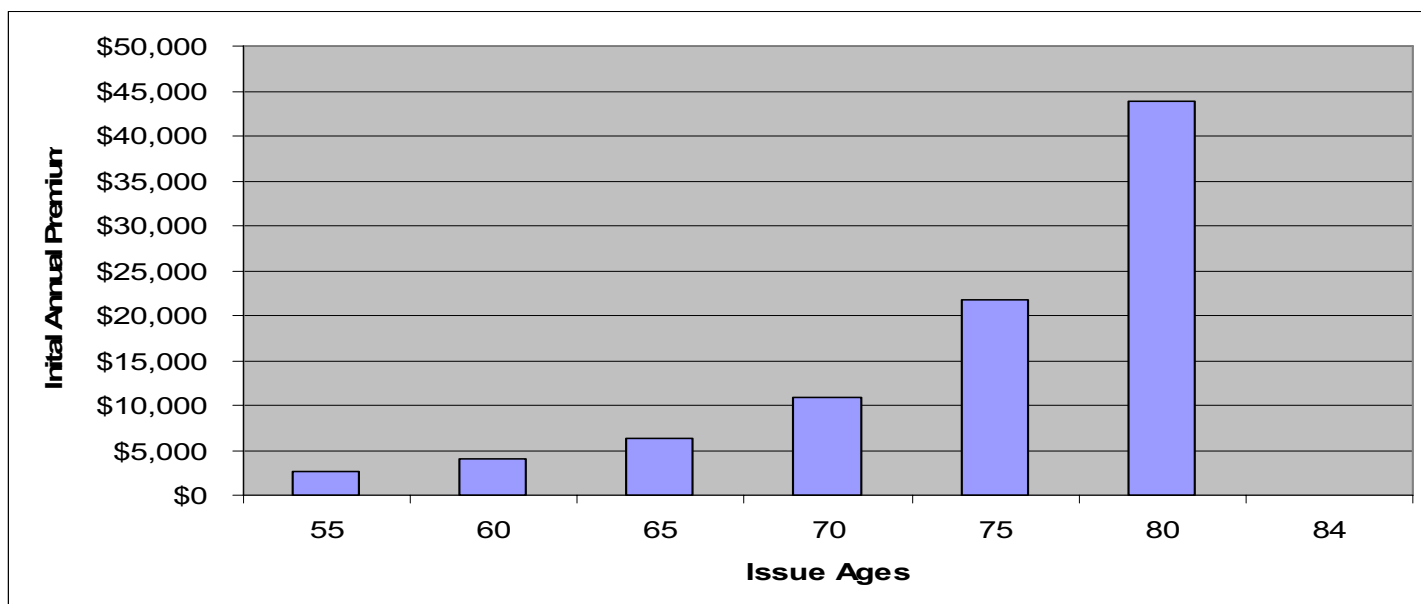
State: Arizona

If you think that waiting to purchase long term care insurance will save you money, consider that the older you are, the higher your premium will be. Additionally, if you wait and then experience health problems, you may not be able to qualify for a policy. Finally, if costs of long term care services continue to increase, you may have to purchase more coverage the longer you wait than if you purchased a policy today.

The table below illustrates the how much it will cost you per year if you wait to purchase coverage. The table factors in the increasing premium cost by age as well as the additional coverage you will need to purchase to compensate for the increasing cost of care.

Issue Age	Monthly Benefit Amount	Annual Premium Amounts	Difference in Premiums
55	\$6,000.00	\$2,556.81	-
60	\$7,293.04	\$4,057.67	\$1,500.86
65	\$9,307.97	\$6,361.81	\$3,805.00
70	\$11,879.59	\$10,903.74	\$8,346.93
75	\$15,161.70	\$21,778.77	\$19,221.96
80	\$19,350.60	\$43,813.62	\$41,256.81
84	\$23,520.77	N/A	N/A

The graph below is a pictorial representation of the increasing cost of waiting to purchase long term care insurance.



Cost of Waiting Analysis

Proposed Insured: Jane Doe

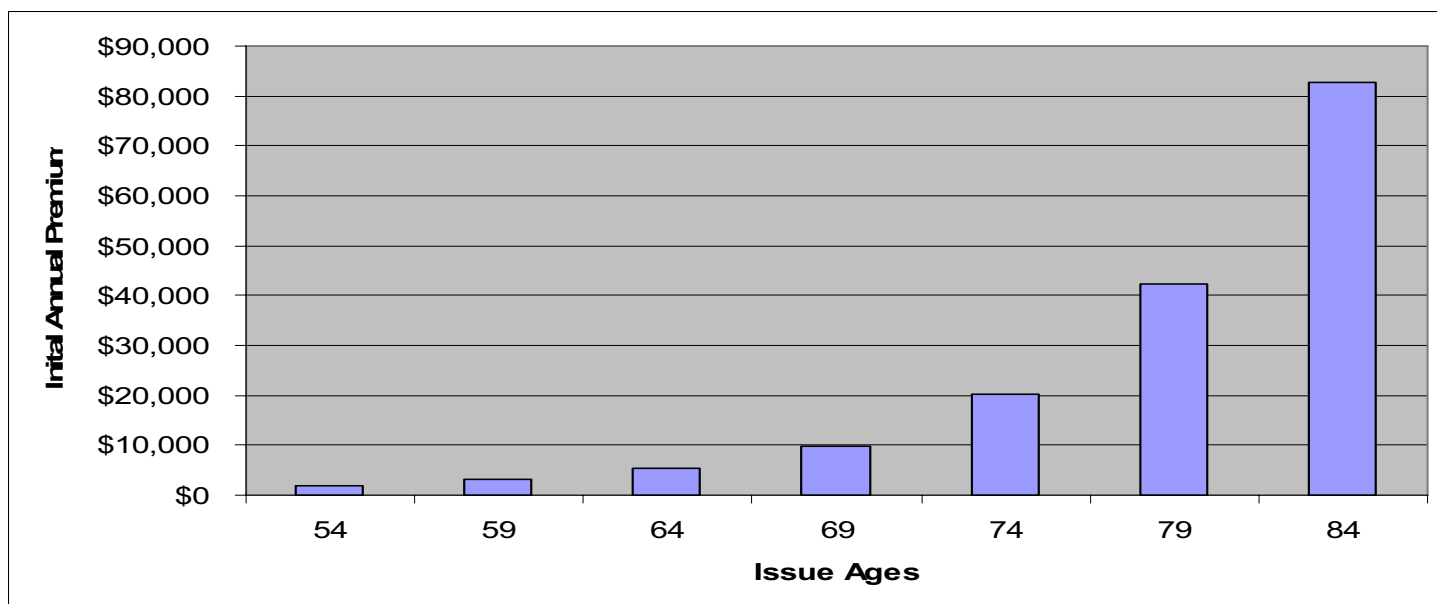
State: Arizona

If you think that waiting to purchase long term care insurance will save you money, consider that the older you are, the higher your premium will be. Additionally, if you wait and then experience health problems, you may not be able to qualify for a policy. Finally, if costs of long term care services continue to increase, you may have to purchase more coverage the longer you wait than if you purchased a policy today.

The table below illustrates the how much it will cost you per year if you wait to purchase coverage. The table factors in the increasing premium cost by age as well as the additional coverage you will need to purchase to compensate for the increasing cost of care.

Issue Age	Monthly Benefit Amount	Annual Premium Amounts	Difference in Premiums
54	\$7,000.00	\$2,004.52	-
59	\$8,508.54	\$3,020.62	\$1,016.10
64	\$10,859.07	\$5,287.47	\$3,282.95
69	\$13,859.52	\$9,937.32	\$7,932.80
74	\$17,688.65	\$20,187.63	\$18,183.11
79	\$22,575.70	\$42,172.32	\$40,167.80
84	\$28,812.95	\$82,859.88	\$80,855.36

The graph below is a pictorial representation of the increasing cost of waiting to purchase long term care insurance.



Cost To Self-Insure Analysis

Proposed Insured: John Doe

State: Arizona

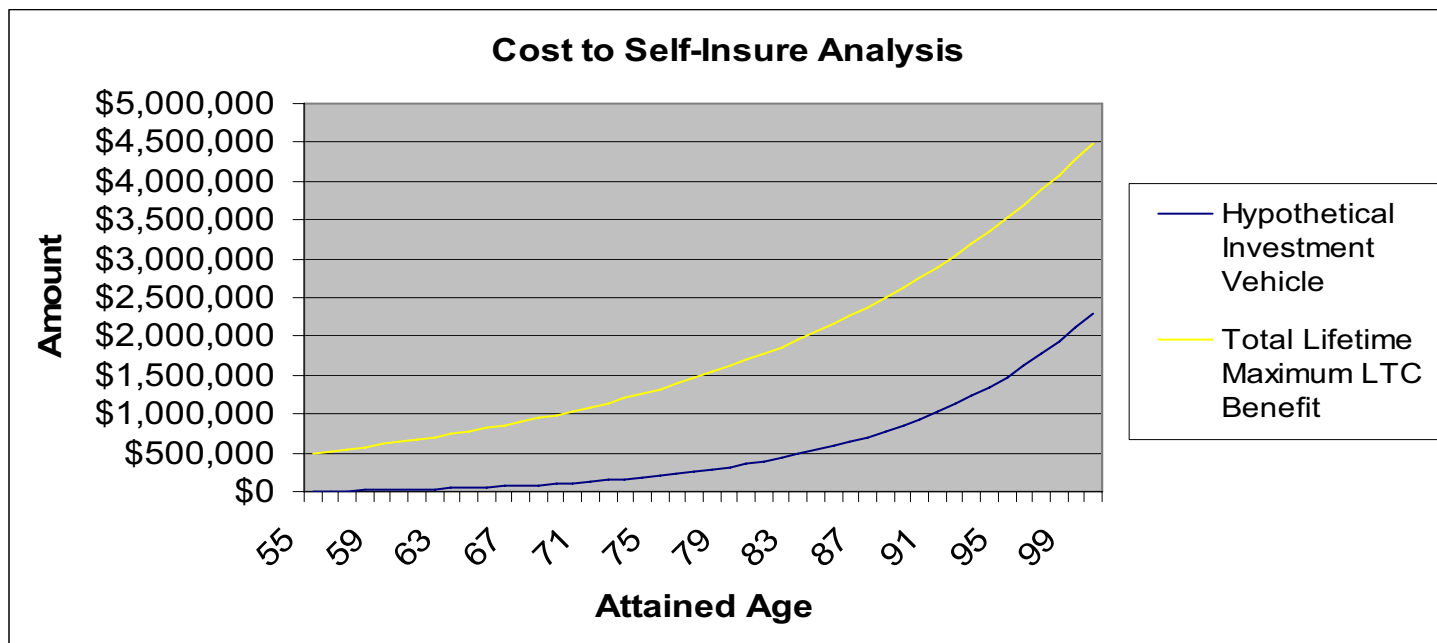
The table below shows a side by side analysis of the Long Term Care Insurance Benefit versus an asset value generated by the annual premium payments using a hypothetical investment vehicle (at a hypothetical investment interest rate after tax). This hypothetical investment vehicle is not representative of any particular investment option or strategy. The asset value and the Total Maximum Lifetime Benefit are end of year values.

Year	Age	Investment Amount	Hypothetical Asset Value @ 8.00%	Total Annualized Premium	Total Maximum Lifetime Benefit
1	55	\$2,556.81	\$2,761.35	\$2,556.81	\$500,000.00
2	56	\$2,684.65	\$5,881.69	\$2,684.65	\$525,000.00
3	57	\$2,818.88	\$9,396.61	\$2,818.88	\$551,250.00
4	58	\$2,959.83	\$13,344.96	\$2,959.83	\$578,812.50
5	59	\$3,107.82	\$17,769.00	\$3,107.82	\$607,753.10
6	60	\$3,263.21	\$22,714.78	\$3,263.21	\$638,140.80
7	61	\$3,426.37	\$28,232.45	\$3,426.37	\$670,047.80
8	62	\$3,597.69	\$34,376.54	\$3,597.69	\$703,550.20
9	63	\$3,777.57	\$41,206.45	\$3,777.57	\$738,727.70
10	64	\$3,966.45	\$48,786.73	\$3,966.45	\$775,664.10
		\$32,159.28	\$48,786.73	\$32,159.28	\$775,664.10
11	65	\$4,164.77	\$57,187.62	\$4,164.77	\$814,447.30
12	66	\$4,373.01	\$66,485.49	\$4,373.01	\$855,169.70
13	67	\$4,591.66	\$76,763.32	\$4,591.66	\$897,928.20
14	68	\$4,821.25	\$88,111.34	\$4,821.25	\$942,824.60
15	69	\$5,062.31	\$100,627.54	\$5,062.31	\$989,965.80
16	70	\$5,315.42	\$114,418.40	\$5,315.42	\$1,039,464.00
17	71	\$5,581.20	\$129,599.56	\$5,581.20	\$1,091,437.00
18	72	\$5,860.26	\$146,296.60	\$5,860.26	\$1,146,009.00
19	73	\$6,153.27	\$164,645.86	\$6,153.27	\$1,203,310.00
20	74	\$6,460.93	\$184,795.33	\$6,460.93	\$1,263,475.00
		\$84,543.36	\$184,795.33	\$84,543.36	\$1,263,475.00
21	75	\$6,783.98	\$206,905.66	\$6,783.98	\$1,326,649.00
22	76	\$7,123.18	\$231,151.14	\$7,123.18	\$1,392,981.00
23	77	\$7,479.34	\$257,720.92	\$7,479.34	\$1,462,630.00
24	78	\$7,853.30	\$286,820.16	\$7,853.30	\$1,535,762.00
25	79	\$8,245.97	\$318,671.41	\$8,245.97	\$1,612,550.00
26	80	\$8,658.27	\$353,516.05	\$8,658.27	\$1,693,177.00
27	81	\$9,091.18	\$391,615.81	\$9,091.18	\$1,777,836.00
28	82	\$9,545.74	\$433,254.47	\$9,545.74	\$1,866,728.00
29	83	\$10,023.03	\$478,739.70	\$10,023.03	\$1,960,065.00
30	84	\$10,524.18	\$528,404.99	\$10,524.18	\$2,058,068.00
		\$169,871.51	\$528,404.99	\$169,871.51	\$2,058,068.00

Cost To Self-Insure Analysis

31	85	\$11,050.39	\$582,611.80	\$11,050.39	\$2,160,971.19
32	86	\$11,602.90	\$641,751.88	\$11,602.90	\$2,269,019.75
33	87	\$12,183.05	\$706,249.73	\$12,183.05	\$2,382,470.73
34	88	\$12,792.20	\$776,565.28	\$12,792.20	\$2,501,594.27
35	89	\$13,431.81	\$853,196.86	\$13,431.81	\$2,626,673.98
36	90	\$14,103.40	\$936,684.29	\$14,103.40	\$2,758,007.68
37	91	\$14,808.57	\$1,027,612.29	\$14,808.57	\$2,895,908.07
38	92	\$15,549.00	\$1,126,614.20	\$15,549.00	\$3,040,703.47
39	93	\$16,326.45	\$1,234,375.90	\$16,326.45	\$3,192,738.64
40	94	\$17,142.77	\$1,351,640.17	\$17,142.77	\$3,352,375.58
		\$308,862.07	\$1,351,640.17	\$308,862.07	3,352,375.58
41	95	\$17,999.91	\$1,479,211.29	\$17,999.91	\$3,519,994.36
42	96	\$18,899.91	\$1,617,960.10	\$18,899.91	\$3,695,994.07
43	97	\$19,844.90	\$1,768,829.40	\$19,844.90	\$3,880,793.78
44	98	\$20,837.15	\$1,932,839.87	\$20,837.15	\$4,074,833.47
45	99	\$21,879.01	\$2,111,096.39	\$21,879.01	\$4,278,575.14
46	100	\$22,972.96	\$2,304,794.90	\$22,972.96	\$4,492,503.90
		\$431,295.91	\$2,304,794.90	\$431,295.91	4,492,503.90

The graph below is a pictorial representation of Total Lifetime Maximum Long Term Care Benefit versus the asset value generated by the premium payments using a hypothetical investment vehicle with 8.00% interest rate (after income tax).



Cost To Self-Insure Analysis

Proposed Insured: Jane Doe

State: Arizona

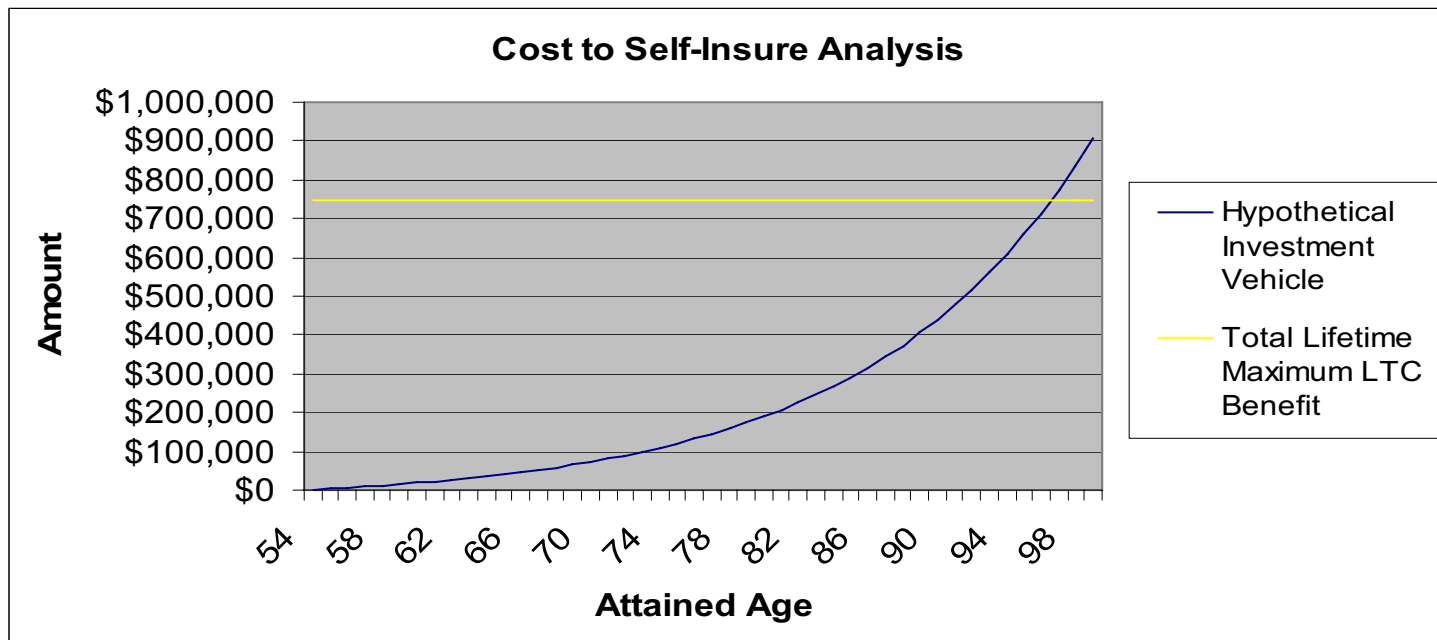
The table below shows a side by side analysis of the Long Term Care Insurance Benefit versus an asset value generated by the annual premium payments using a hypothetical investment vehicle (at a hypothetical investment interest rate after tax). This hypothetical investment vehicle is not representative of any particular investment option or strategy. The asset value and the Total Maximum Lifetime Benefit are end of year values.

Year	Age	Investment Amount	Hypothetical Investment Value @ 8.00%	Total Annualized Premium	Total Maximum Lifetime Benefit
1	54	\$2,004.52	\$2,164.88	\$2,004.52	\$750,000.00
2	55	\$2,004.52	\$4,502.95	\$2,004.52	\$750,000.00
3	56	\$2,004.52	\$7,028.07	\$2,004.52	\$750,000.00
4	57	\$2,004.52	\$9,755.20	\$2,004.52	\$750,000.00
5	58	\$2,004.52	\$12,700.50	\$2,004.52	\$750,000.00
6	59	\$2,004.52	\$15,881.42	\$2,004.52	\$750,000.00
7	60	\$2,004.52	\$19,316.81	\$2,004.52	\$750,000.00
8	61	\$2,004.52	\$23,027.04	\$2,004.52	\$750,000.00
9	62	\$2,004.52	\$27,034.08	\$2,004.52	\$750,000.00
10	63	\$2,004.52	\$31,361.69	\$2,004.52	\$750,000.00
		\$20,045.20	\$31,361.69	\$20,045.20	\$750,000.00
11	64	\$2,004.52	\$36,035.51	\$2,004.52	\$750,000.00
12	65	\$2,004.52	\$41,083.23	\$2,004.52	\$750,000.00
13	66	\$2,004.52	\$46,534.77	\$2,004.52	\$750,000.00
14	67	\$2,004.52	\$52,422.44	\$2,004.52	\$750,000.00
15	68	\$2,004.52	\$58,781.11	\$2,004.52	\$750,000.00
16	69	\$2,004.52	\$65,648.48	\$2,004.52	\$750,000.00
17	70	\$2,004.52	\$73,065.24	\$2,004.52	\$750,000.00
18	71	\$2,004.52	\$81,075.34	\$2,004.52	\$750,000.00
19	72	\$2,004.52	\$89,726.25	\$2,004.52	\$750,000.00
20	73	\$2,004.52	\$99,069.23	\$2,004.52	\$750,000.00
		\$40,090.40	\$99,069.23	\$40,090.40	\$750,000.00
21	74	\$2,004.52	\$109,159.65	\$2,004.52	\$750,000.00
22	75	\$2,004.52	\$120,057.31	\$2,004.52	\$750,000.00
23	76	\$2,004.52	\$131,826.78	\$2,004.52	\$750,000.00
24	77	\$2,004.52	\$144,537.80	\$2,004.52	\$750,000.00
25	78	\$2,004.52	\$158,265.70	\$2,004.52	\$750,000.00
26	79	\$2,004.52	\$173,091.84	\$2,004.52	\$750,000.00
27	80	\$2,004.52	\$189,104.07	\$2,004.52	\$750,000.00
28	81	\$2,004.52	\$206,397.28	\$2,004.52	\$750,000.00
29	82	\$2,004.52	\$225,073.94	\$2,004.52	\$750,000.00
30	83	\$2,004.52	\$245,244.74	\$2,004.52	\$750,000.00
		\$60,135.60	\$245,244.74	\$60,135.60	\$750,000.00

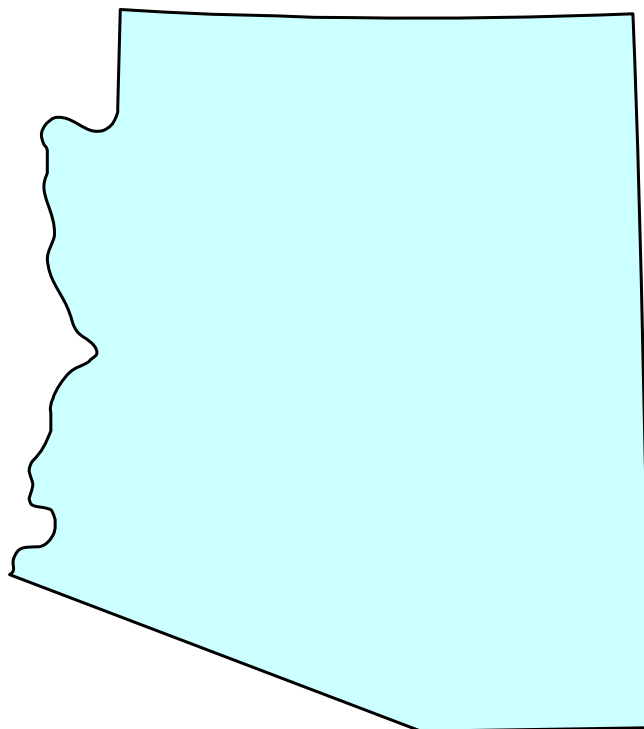
Cost To Self-Insure Analysis

31	84	\$2,004.52	\$267,029.20	\$2,004.52	\$750,000.00
32	85	\$2,004.52	\$290,556.42	\$2,004.52	\$750,000.00
33	86	\$2,004.52	\$315,965.81	\$2,004.52	\$750,000.00
34	87	\$2,004.52	\$343,407.96	\$2,004.52	\$750,000.00
35	88	\$2,004.52	\$373,045.48	\$2,004.52	\$750,000.00
36	89	\$2,004.52	\$405,054.00	\$2,004.52	\$750,000.00
37	90	\$2,004.52	\$439,623.20	\$2,004.52	\$750,000.00
38	91	\$2,004.52	\$476,957.94	\$2,004.52	\$750,000.00
39	92	\$2,004.52	\$517,279.45	\$2,004.52	\$750,000.00
40	93	\$2,004.52	\$560,826.69	\$2,004.52	\$750,000.00
		\$80,180.80	\$560,826.69	\$80,180.80	\$750,000.00
41	94	\$2,004.52	\$607,857.71	\$2,004.52	\$750,000.00
42	95	\$2,004.52	\$658,651.21	\$2,004.52	\$750,000.00
43	96	\$2,004.52	\$713,508.18	\$2,004.52	\$750,000.00
44	97	\$2,004.52	\$772,753.72	\$2,004.52	\$750,000.00
45	98	\$2,004.52	\$836,738.90	\$2,004.52	\$750,000.00
46	99	\$2,004.52	\$905,842.89	\$2,004.52	\$750,000.00
47	100	\$2,004.52	\$980,475.21	\$2,004.52	\$750,000.00
		\$94,212.44	\$980,475.21	\$94,212.44	\$750,000.00

The graph below is a pictorial representation of Total Lifetime Maximum Long Term Care Benefit versus the asset value generated by the premium payments using a hypothetical investment vehicle with 8.00% interest rate (after income tax).



Average Cost of Long Term Care in Arizona



State Average

	Hourly	Daily	Monthly	Annually	
Homemaker Services			\$19	N/A	\$1,564 \$18,772 ¹
Home Health Aide			\$29	N/A	\$2,136 \$25,636 ²
Adult Day Care			N/A	\$46	\$ 997 \$11,960 ³
Assisted Living Facility (1 Bedroom)			N/A	N/A	\$2,617 \$31,404
Nursing Home (Semi-Private)			N/A	\$162	\$4,928 \$59,130
Nursing Home (Private)			N/A	\$203	\$6,175 \$74,095

Note: ¹Calculation based on 19 hours of care per week for 52 weeks, per 1999 National Claimant Study

²Calculation based on 17 hours of care per week for 52 weeks, per 1999 National Claimant Study

³Annual calculation for adult day care is based on 260 days of care per year (Monday – Friday)

Source: U.S. Department of Health & Human Services; National Clearinghouse for Long Term Care Information, 2008;
www.longtermcare.gov

Visit www.aigltc.com for additional information about long term care costs in Arizona.

Shared Care Benefit Rider

This rider establishes a separate fund, called the Shared Care Lifetime Maximum. The Shared Care Lifetime Maximum is available to you upon exhaustion of your Lifetime Maximum. The Shared Care Lifetime Maximum is available to your insured Spouse/Partner upon the exhaustion of their Lifetime Maximum. You and your insured Spouse/Partner may access the Shared Care Lifetime Maximum at the same time, provided you both meet the Eligibility for the Payment of Benefits requirements and have exhausted your own Lifetime Maximums.

As the illustration below demonstrates, the Shared Care benefit is as easy to understand as having your morning coffee. Both you and your spouse/partner begin with a full cup of coffee (your lifetime maximum benefit). If either of you drink your entire cup of coffee, you also each have access to the pot of coffee which holds the exact amount of coffee that was in your first cup.

Most plans allow you to tap into your spouse's policy, but you'll decrease the amount of benefit she or she has left. With AIG LTC, you won't have to face the dilemma of taking money out of your spouse's policy if you've exhausted your own lifetime maximum benefit.



In order to be eligible for this rider, you and your Spouse/Partner must be insured under the same policy form number and maintain identical coverage. Your Policy Effective Dates must be the same.

Rider Definitions

Automatic Inflation Protection Riders

You can choose from automatic annual benefit increases of 3% compound or 5% compound for the life of your policy.

Premium Structure Options

Level Premium

Your premium remains level for the life of your policy.

Graded Premium to Age 65

Your premium begins lower than the level premium structure option and then increases by 3% or 5% compound, depending on the benefit increase option you select, until you are age 65 and then levels off for the remaining years of your policy.

Graded Premium for Life

Your premium begins lower than the Level or Graded to Age 65 premium structure options and then increases annually by 3% or 5% compound for the life of your policy.

Return of Premium at Death Rider

This rider pays your beneficiary the total amount of premiums you have paid, less any claims, upon your death providing the rider and policy are still in force.

Restoration of Benefits Rider

If you begin receiving benefits and then recover, needing no benefits for 180 days or more, we will restore your lifetime maximum benefit amount to its original amount before any benefits were paid.

Waiver of Elimination Period for Home and Community Care Rider

Selecting this rider eliminates the need for you to wait a specified period of time (elimination period) before receiving home health and community care benefits.

Nonforfeiture Benefit Rider

If you stop paying your premium after the third year (First year if Paid-Up Premium Rider is elected), your past premiums will still be available to pay for services.

Paid-Up Premium Rider

This rider allows you to discontinue paying premiums after the later of the first anniversary of the Policy Effective Date following your 65th birthday or the tenth anniversary of your Policy Effective Date.

Shared Care Benefit Rider

You and your spouse have access to an extra pool of benefits equal to each of your policies in case either of you exhaust your benefits. Both spouses must have identical coverage amounts.

Joint Waiver of Premium Rider

While one spouse is receiving benefits, neither spouse pays his or her premiums.

Rider Definitions

Joint Survivor Benefit Rider

Premiums are waived for the policy and any riders for the surviving spouse.

Exclusions and Limitations

There are times when the company does not pay benefits under the terms of the proposed policy. These are known as "Exclusions and Limitations" and they vary by state. Identified below are the Exclusions and Limitations that are applicable in most states. To identify the specific Exclusions and Limitations in your state refer to the "Outline of Coverage" that must be provided by your insurance agent at the same time you receive this Proposal.

The conditions under which payments under the policy will be limited, or not paid at all, even if you otherwise qualify for benefits are as follows:

Exclusions

This Policy will not pay benefits for any room and board, care, treatment, services, equipment, or other items for:

- Care or services provided by Your Immediate Family unless:
 - He or she is a regular employee of an organization which is providing the treatment, service or care; and
 - The organization receives the payment for the treatment, service or care; or
- Care or services provided by Your Immediate Family member unless You are compensating him/her through proceeds from Your Flexible Care Benefit; or
- Care or services for which no charge is made in the absence of insurance; or
- Care or services provided outside the United States of America, its territories and possessions and Canada, except as provided for under the International Benefit; or
- Care or services that result from an attempt at suicide (while sane or insane) or an intentionally self inflicted injury; or
- Care or services that result from war or any act of war (whether declared or undeclared); or
- Treatment provided in a government facility (unless otherwise required by law); or services for which benefits are available under Medicare³ or other governmental program (except Medicaid); or
- Services received while this Policy is in not in force, except as provided in the Extension of Benefits provision

No Pre-Existing Conditions Exclusion

We will not reduce or deny any claim under this Policy because of sickness or physical or medical condition disclosed on Your Application.

Non-Duplication With Other Plans

We will not pay benefits for services or items for which benefits are payable by Medicare (including amounts that would be reimbursable but for the application of a deductible or coinsurance amount). We will pay the difference between Your actual expense and the benefits payable by Medicaid or private

Exclusions and Limitations

insurance, but Our payment will not exceed the amount We would have paid in absence of such other insurance. However, if Your Medicaid or private insurance denies payment to You for a service that We cover, We will pay the benefit as outlined in this Policy. The Care Coordinator can assist You in identifying other insurance benefits to which You are entitled that can be applied to meet Your actual expenses.

Policies issued by:

American General Life Insurance Company

A subsidiary of American International Group, Inc. (AIG)
2727-A Allen Parkway, Houston, Arizona 77019

AIG Long Term Care Insurance Policy Form Number (08000)

Automatic Inflation Protection – Compound for Life Rider Form Number 08002

Automatic Inflation Protection – Compound for Life Funded With Age Graded Premiums Rider Form Number 08003

Automatic Inflation Protection – Compound for Life With Age Graded Premiums to Age 65 Rider Form Number 08004

Joint Survivor Benefit Rider Form Number 08005

Joint Waiver of Premium Rider Form Number 08006

Nonforfeiture Benefit – Shortened Benefit Period Rider Form Number 08007

Paid-Up Premium Rider Form Number 08008

Restoration of Benefits Rider Form Number 08009

Return of Premium at Death Benefit Rider Form Number 08010

Shared Care Benefit Rider Form Number 08011

Waiver of Elimination Period for Home and Community Care Benefit Rider Form Number 08012

Important Note: All benefits payable are subject to the terms and conditions of the Policy, including benefit durations, limitations and exclusions. Not all benefits and exclusions apply in every state. Please consult the Policy Form and Outline of Coverage for details.

American General Life Insurance Company does not solicit business in the state of New York. Policies and Riders not available in all states.

AIG American General, www.aigag.com, is the marketing name for the insurance companies and affiliates comprising the domestic life operations of American International Group, Inc. (AIG), including American General Life Insurance Company.

AIG American General companies offer a broad spectrum of fixed and variable life insurance, annuities and accident and health products to serve the financial and estate planning needs of its customers throughout the United States.

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<i>SERFF Tracking Number:</i>	<i>AMGN-125804659</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>American General Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>40176</i>
<i>Company Tracking Number:</i>			
<i>TOI:</i>	<i>LTC03I Individual Long Term Care</i>	<i>Sub-TOI:</i>	<i>LTC03I.002 Non Qualified</i>
<i>Product Name:</i>	<i>AIG LTC</i>		
<i>Project Name/Number:</i>	<i>/</i>		

Rate Information

Rate data does NOT apply to filing.